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ADDITIONAL WEATHER—COMICS PAGE

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French Aides Believe Brezhnev Is Failing

By Jim Hoagland

PARIS, July 1 (UPI)—Soviet President Leonid Brezhnev would probably be unable to conduct negotiations personally with President Carter at a summit meeting and may be nearing the end of his rule because of age and ill health, senior French officials have concluded.

These impressions, formed during the Soviet leader's visit to France last week, were evidently relayed by President Valéry Giscard d'Estaing to Secretary of State Cyrus Vance last Friday, according to officials in Paris and Washington.

President Carter yesterday said he "would welcome a chance to meet with President Brezhnev."

Mr. Carter's statement, at a press conference, could reflect a new sense of urgency at developing in France out dealing with the Soviet leader, who is 70.

The Carter offer drew a terse, negatively worded Soviet an-

May Be Unable to Hold Carter Summit

nouncement that such discussion of a summit meeting was "preliminary." But French officials noted that the Carter administration has now established publicly that a failure to schedule a summit is not of Washington's making.

The somber impressions relayed to Mr. Vance of Mr. Brezhnev's state of health appear to come largely from a 15-minute private session Mr. Giscard d'Estaing had with Mr. Brezhnev on June 23, the only time the two met without aides during Mr. Brezhnev's three-day visit, his first trip to the West in two years.

Surrounded by aides, Mr. Brezhnev dominated the first two days of the discussions, in which he read, at times forcefully, from prepared statements that offered no openings for exchanges of views, according to French sources.

It was from these group meetings that the initial impressions that Mr. Brezhnev was showing his age but was staying in full control were formed, and relayed to the press, by the French delegation.

Officials present at the two sessions, or who were briefed on them, continue to describe Mr. Brezhnev's performance as active in view of his age and serious health problems in recent years.

But Mr. Giscard d'Estaing appears to have come away from the private meeting with a far grimmer view of Mr. Brezhnev. Initially scheduled as an hour-long, face-to-face meeting, the June 23 private talk was pushed back an hour. Mr. Brezhnev's request, then scaled down to 30 minutes.

In fact, the talk lasted only 15 minutes, and Mr. Giscard d'Estaing reportedly depicted Mr.

Brezhnev to Mr. Vance as completely failing to engage in any meaningful discussion in the brief meeting. According to a version that could not be confirmed, Mr. Vance was told that the Soviet leader's conversation wandered without his aides around.

"There were no real exchanges of views during the three days and certainly no negotiating," said one well-informed source.

The agreements that were signed by the two men had been agreed upon before. Brezhnev was not in any condition to negotiate here, and it is certain that Giscard told Vance that he was not likely to be in any condition to negotiate seriously and personally with Carter.

French officials speculate from this that any U.S.-Soviet summit would have to be scrupulously prepared at lower levels with a Carter-Brezhnev meeting coming as a ceremonial finale.

Brezhnev's handlers handled (Continued on Page 2, Col. 1)



President Brezhnev in Paris last month.

Vance Outlines Affirmative U.S. Policy on Africa

By Bernard Gwertzman

WASHINGTON, July 1 (UPI)—Secretary of State Cyrus Vance warned South Africa anew today that relations with the United States "will inevitably suffer" if steps are not taken soon to end racial discrimination and allow full political participation by black South Africans.

In the administration's latest and most complete criticism of the apartheid policies followed by South African Prime Minister John Vorster, Mr. Vance told a largely black audience in St. Louis that "we cannot defend a government that is based on a system of racial domination and remain true to ourselves."

The speech to the National Association for the Advancement of Colored People was the administration's first full-length exposition of its African policy, although the criticism of apartheid has been made before, most recently by Vice-President Mondale, who met with Mr. Vorster in Vienna in May.

Mr. Vance placed heavy emphasis in the speech on U.S. policy toward southern Africa, the area of most ferment on the continent. But he also outlined some broad principles to govern overall policy toward Africa. He said the United States should follow "affirmative policies" toward Africa and not simply be reactive.

An Allusion

For instance, in an allusion to the Ford administration's concern about Soviet and Cuban involvement in Angola, Mr. Vance said critically:

"A negative, reactive American policy that seeks only to oppose Soviet or Cuban involvement in Africa would be both dangerous and futile. Our best course is to help resolve the problems which create opportunities for external intervention."

At the same time, he expressed concern about the "increase in Soviet arms and Cuban personnel" and said "we cannot ignore this increase—and we oppose it."

Mr. Vance said the United States would "consider sympathetically" requests for military assistance from states threatened by a buildup of foreign military equipment and advisers on their borders, but he also said, "Arms transfers to Africa will be an exceptional tool of our policy."

Request Considered

The United States has been considering for months a request from the Sudan for F-5 fighter aircraft and other equipment to offset Soviet arms being sent to Ethiopia, but officials said today that no decision has been made yet.

In keeping with the administration's human-rights emphasis, Mr. Vance included a section



Cyrus Vance

on that subject, as he had in a speech on Asia given on Wednesday in New York.

After outlining U.S. plans to aid Africa's economic growth, he said, "While we address the reality of human need in Africa, we must also do what we can in behalf of human justice there."

He said that the United States would be "firm in our support of individual human rights" everywhere. "Our concern is not limited to any one region of the continent."

Devotion Lauded

Mr. Vance applauded the recent decision of the Commonwealth countries to condemn the "massive violation of human rights" in Uganda. He said, referring to white-minority governments in Rhodesia and South Africa, that "abuse of human rights is wrong on any grounds. It is particularly offensive when it is on the basis of race."

In Rhodesia, where the govern-

(Continued on Page 2, Col. 1)

W. Europeans To Establish Nuclear Firm

Company Will Push Reactors and Sales

PARIS, July 1 (Reuters)—France, West Germany and other common market countries will join a series of agreements here Tuesday to set up a joint company for research and development of fast-breeder nuclear reactors and their marketing abroad, French officials said today.

They said that the move was "implicit rejection of President Carter's suggestion that Europe follow the U.S. example in limiting breeder technology to avoid nuclear proliferation."

"We, too, are all for nuclear proliferation," an official said. "We are determined to push ahead with fast breeders and will take all the necessary safeguards against atomic weapons proliferation."

Europe has achieved a lead over the U.S. in this field and is willing to surrender it, the official said.

The French part of the venture headed by France's atomic energy authority, the Commissariat à l'Energie Atomique (CEA), and will include Novatom, a subsidiary of the Creusot-Loire engineering company.

Non-French Consortium

West Germany's Interatom, associated with the Siemens group, will lead a consortium of non-French firms including Belgolux, the Netherlands and a still unnamed Italian company.

The CEA and Novatom will hold a 65-per-cent majority in the new company. The German group will have a 35-per-cent stake. But this is expected to be raised to 49 per cent, while the French stake will be reduced to 51 per cent.

France has started to build the world's first commercial 30-megawatt breeder, known as the Super Phoenix, at Creusot-Loire in southwest France.

West Germany is building a megawatt prototype breeder in cooperation from Belgium at the Netherlands at Kalkar at the Dutch border.

Britain runs a 30-megawatt breeder at Dounreay, Scotland.

Carter Hails Bonn

WASHINGTON, July 1 (AP)—President Carter has praised West Germany's decision to limit export of sensitive nuclear technology, describing it today as "a step in the right direction."

West Germany and France announced two weeks ago that they had complete uranium processing plant sales to Pakistan and Israel that had been in the works for some time, but would then at some further export of such nuclear devices or information.

The Carter administration has refrained from such export plans and attempted to halt the French sale to Pakistan and the German sale to Brazil.

Test Germany Gets New Divorce Statute

PARIS, July 1 (Reuters)—A divorce law abolishing the legal concept of guilt for the failure of a marriage and enabling couples to divorce after a year of separation by mutual consent, went into effect in West Germany today. Until now, a divorce could be granted at any time if one partner had "committed adultery" or "refused conjugal rights."

If only one partner wants to divorce, the couple must live apart for three years. The criterion for divorce will be the "objective state of the marriage" and not the "guilt" of one partner.



MODERN MASTERY—A barefoot Amish girl dressed in the attire of her sect rolls down a street of Goshen, Ind. When she saw the photographer, she ran and hid.

Long-Term Economic Forecast

Carter Advances Date for Balancing Budget

WASHINGTON, July 1 (UPI)—President Carter today accelerated his timetable for balancing the budget, predicting a surplus of \$3.9 billion in fiscal 1980, a year ahead of schedule.

But, in his first long-range economic outline, Mr. Carter cautioned that the estimates take into consideration only present conditions.

He forecast real economic growth of about 5 per cent for the next four years and unemployment on a slow but steady downward slide. He said the current unemployment rate of 6.9 per cent would drop to 6 per cent

over the next 18 months, then creep downward to 4.5 per cent over the ensuing four years.

An improving economy should provide the administration with a budget surplus of \$42.1 billion in fiscal 1981 and \$75.5 billion in fiscal 1982, he said.

In more immediate assessments, however, Mr. Carter estimated that federal spending will exceed income by \$67.5 billion in fiscal 1978, the second upward revision in the budget deficit in five months.

Next year's red ink would be followed by a \$11.9-billion deficit in fiscal 1979—the 11th consecutive year that federal spending

would exceed income—he predicted.

Thereafter, he said, conditions should improve as federal spending increases at a slower rate than income from taxes and other sources. The administration projected that outlays for fiscal 1980 would be \$332.7 billion, an increase of less than \$70 billion from next year.

Meanwhile, income would swell to \$338.6 billion, a surge of \$135 billion from the projection for next year, he said.

The next budget, calls for federal spending of \$463.9 billion, compared with \$405.4 billion in the current fiscal year.

Research Minimized

The Tass article gave scant attention to Mr. Carter's announcement that development of the \$100-million B-1 would be limited to research, instead of the production sought by the Pentagon.

Mr. Carter said the United States should instead begin deployment of the Cruise missile on air-launched platforms. The Cruise is an inexpensive, pilotless missile which is virtually impossible to detect.

"The implementation of the program for deployment of Cruise missiles is a reflection of the general line of the U.S.A. toward an increase in the military budget, toward building up the war arsenal and creating qual-

Italian Strike Losses

ROME, July 1 (AP)—There were 3.7 million working hours lost in Italy due to strikes in May, about half the May, 1976, figure of 7.5 million. For the first five months, time lost came to 40.24 million working hours, less than half the total in the year-earlier period of 99.12 million.

U.S. Pays Unesco \$43 Million Owed In Back Dues

PARIS, July 1 (AP)—The United States paid \$43 million in back dues to the UN Educational, Scientific and Cultural Organization today, ending a three-year row over the organization's moves against Israel and easing much of its financial problems.

William Jones, U.S. envoy to Unesco, handed the check covering 1975-76 dues to director-general Amadou Mahtar Mbow.

The payment represents about 90 per cent of Unesco's two-year budget. The organization now can reduce borrowing from Arab members to cover its expenses.

The United States blocked its funding of Unesco in 1974 to protest the exclusion of Israel from any Unesco regional grouping. A 1975 resolution equating Zionism with racism caused the United States to harden its position.

Unesco granted Israel membership in the European regional group last year. Early this year a permanent Israeli delegate was named to Unesco headquarters for the first time since 1974.

No Comments Until Begin Arrives

Carter Puts Gag Rule on Details of Mideast Peace Plan

By Bernard Gwertzman

WASHINGTON, July 1 (UPI)—President Carter, seeking to prevent the rift between his administration and Israel from growing, yesterday imposed a moratorium on further comments about details of a projected Middle East settlement. The moratorium is to last until Israeli Prime Minister Menachem Begin visits Washington on July 19.

In addition, obviously concerned about the sharp reaction by Israel's supporters in this country to recent administration statements that seemed to pressure the Begin government, Mr. Carter pledged again to give "pre-eminent" priority to Israel's survival.

Mr. Begin will be received at the White House, the President said at his news conference, "with the kind of friendship that has always been a characteristic of

the American people's attitude toward Israel."

"An overwhelming consideration for us is the preservation of Israel as a free and independent and hopefully peaceful nation," he said. "That is preeminent."

The President's decision to avoid further comment on the details of a Middle East settlement follows nearly two weeks of growing concern among Israelis and their U.S. supporters that the administration is seeking to put pressure on the Begin government to make concessions.

To ease this concern, the administration has stressed the continuing U.S. commitment to Israel. The administration let it be known last weekend that an additional arms sale of \$115 million would be recommended for Israel. Mr. Carter has used every opportunity, privately and publicly, to reassure the Israelis.

But despite the palliative intent

of Mr. Carter's words, several administration officials have predicted in recent days that unless there is a major change in Mr. Begin's attitude toward certain aspects of a Middle East settlement, the United States and Israel may become involved in one of the worst disputes in Israel's history.

The officials said that the administration statements issued Monday, reminding Israel that some territory must be given up on all fronts in return for peace with the Arabs, had been worked out at the White House. It was meant to warn Mr. Begin, the officials said, that the United States would not condone a refusal to yield territory on the West Bank and in the Gaza Strip.

Before the Israeli elections last month, Mr. Begin was arguing that Israel should not give up the West Bank or Gaza because they

were historically an integral part of Israel. He has altered his position since he became Prime Minister. He now says that Israel will abide by pertinent Security Council resolutions and will enter negotiations with no preconditions.

Begin Shift Questioned

But Carter administration officials charge privately that such recent statements by Mr. Begin are cosmetic. They note that he has been saying that he will not divulge his negotiating position until he sits down with the Arab leaders and that he will not accept any outside plans that have been submitted. Mr. Begin has also said that, in negotiations with the Arabs, he might be able to persuade them to let Israel keep the West Bank and Gaza.

U.S. officials said that Mr. Begin's statements were not sufficient. They said they want him to tell the United States, publicly

or privately, whether Israel will agree to large-scale territorial withdrawals in the Sinai, on the Golan Heights and on the West Bank and Gaza fronts before any Geneva conference on the Middle East is convened.

Only if the United States is certain that Mr. Begin will make territorial concessions, the officials said, can it persuade the Arab leaders to take the necessary steps toward peace.

Statement a Reminder

There was concern, officials said, that Mr. Begin hoped simply to say he would negotiate without preconditions and thereby win U.S. support. That is why the statement was issued Monday that reminded Mr. Begin that no occupied territory could be automatically excluded from negotiation.

As a result of Monday's statement, tensions have risen in Is-



Menachem Begin

rael and among Israeli supporters here, and the administration decided that, having sent its message to Mr. Begin, it was time to halt the public dialogue that had taken on the aspect of recrimination—at least until Mr. Begin's arrival.

U.S., Cuba Open Missions Sept. 1

HAVANA, July 1 (Reuters)—The United States and Cuba will exchange diplomats on Sept. 1, it was announced here today.

It will be the first time the countries have had their own direct representation in each other's capitals since the United States severed relations in 1961.

An agreement to exchange medium-level diplomats without setting up formal relations was announced in Washington and Havana early this month.

An announcement by the Cuban Foreign Ministry today said it had been agreed that the opening of the missions should take place simultaneously on Sept. 1.

On Procedural Question

West Sees Shift by Moscow
In New Proposal at Belgrade

BELGRADE, July 1 (Reuters).—The Soviet Union today put forward a new procedural proposal for the Belgrade conference on European security and cooperation that was seen by Western delegates as a slight shift from its previous rigid position.

Delegates from 35 states at the current preparatory talks are wrangling over procedure to determine how closely the conference should examine such issues as human rights when it meets for its main session in October.

In a closed session today, chief Soviet delegate Yuri Vorontsov said the main meeting should be conducted in plenary sessions. But he made allowance for the setting up of parallel, subsidiary working groups when necessary, according to diplomats at the conference.

The plenary session would decide when such working groups should be formed and when they should prepare drafts on concrete questions, according to the Soviet proposal.

Subordinate Panels
A Western delegate said the Soviet proposal indicated that Moscow believed the working groups should act as drafting committees subordinate to the plenary session rather than as debating groups.

A proposal in this form was certain to be unacceptable to the

nations of the West, which are seeking a thorough discussion on progress made since the declaration on détente and human rights was adopted at the 1975 Helsinki summit meeting of the European security conference, he said.

But another Western delegate said today's developments were encouraging.

"The Russians are beginning to lay their cards on the table," a Western delegate said.

Yugoslavia, host to the conference, viewed Mr. Vorontsov's proposal as a positive sign, delegates said.

Until today, the Soviet Union had refused to talk about procedural methods for the October meeting pending settlement of the controversial issue of the agenda.

Basque Faction
Denies Ordering
Hostage's Death

MADRID, July 1 (UPI).—The leadership of the Basque separatist organization ETA said today that it did not give "the execution order" to kill kidnapper victim Javier de Ybarra y Berge. But the organization said that its guerrillas, who abducted and killed the wealthy industrialist, had escaped from Spain and are in "a safe place."

The ETA (whose initials stand for Basque Land and Liberty) leadership version of the slaying came in a letter, postmarked in the south of France, received by a Bilbao newspaper.

The guerrilla organization also announced that it intended to "intensify violent actions" and carry out "personal reprisals with collective attacks."

The note said, "The commando was not totally under the control of the political-military arm (of ETA). From our point of view, its action was an act of disobedience. The execution order did not come from our leadership."

The guerrillas abducted the 63-year-old industrialist from his home on May 20 and killed him a month later when his family did not pay a \$15-million ransom.

Censorship of Press
Revamped in Romania

BUCHAREST, July 1 (AP).—The Party Central Committee, in a decision published here yesterday, said that Romanian editors and newly created councils in news media organizations will be responsible for censoring their own publications.

Until now, censorship was the function of a body known as the Preventive Press Control of the Committee of Press and Printing. The committee, which is being reorganized, will oversee the printing and distribution of publications. But it will not screen news articles and books for content before printing.

Vance Sets
Africa Policy

(Continued from Page 1)

ment of Prime Minister Ian Smith is in power and under pressure to agree to a U.S.-British formula leading to a majority rule next year, Mr. Vance said the conflict was growing.

He said that "the choice between negotiated settlement and violent solution must be made now."

"The same is true for Namibia [South-West Africa]," Mr. Vance said, "many lives—black and white—hang in the balance."

In South-West Africa, an area controlled by South Africa, negotiations are under way on a formula allowing for independence under United Nations auspices.

As to South Africa itself, Mr. Vance said, "violence within South Africa grows." He said there may be time for people of goodwill to achieve a solution there, "but progress must soon be made, or goodwill could be lost."

U.S. Delays Shuttle

EDWARDS AIR FORCE BASE, Calif., July 1 (AP).—The first free flight of the U.S. Space Shuttle is now set for Aug. 12 at the earliest, space agency officials said yesterday, announcing a delay in the test schedule.

French Believe Brezhnev Health Is Failing

(Continued from Page 1)

him far more than they ever have before," said a diplomatic source. "He tired more rapidly than ever before."

The Soviet insistence on having Foreign Minister Andrei Gromyko, Commerce Minister N.S. Pabolitcher and other officials sit in on the talks throughout the first two days continues to intrigue French officials.

The French delegation arrived at the 14th-century chateau in Rambouillet, southwest of Paris, expecting the two Presidents to go immediately into brief private talks. Instead, they found that Soviet officials had set up two separate tables with 10 chairs each in the meeting room.

Thring Trip

The trip from Moscow appears to have contributed significantly to the very fatigued appearance Mr. Brezhnev had during the second and third day of talks and what appears to have been some discrimination in the private session with Mr. Giscard d'Estaing.

In Moscow two weeks earlier, during a meeting with French Foreign Minister Louis de Guiringaud, Mr. Brezhnev started slowly but gradually warmed up in their hour-long talk and spoke forcefully without notes, according to one report.

At Rambouillet, "we certainly did not see a man at death's door," said one official, who denied that the French had detected

ed signs of a serious illness in Mr. Brezhnev.

But, the official added, Mr. Brezhnev never completely recovered from the trip. He appeared to have entered into a steady decline because of old age and his medical history, and may be forced to step down before the end of the year, according to one view expressed in Paris.

Message - Vance
It could not be established from French sources that Mr. Giscard d'Estaing had conveyed to Mr. Vance a similar estimate on the apparent opening of a transition period for Soviet leadership. But there have been indications that Mr. Vance carried that message home.

Israel Said to Warn Lebanon

(Continued from Page 1)

war in April, 1975, the guerrillas used the southern border region as their main base for raids into Israel. These precipitated Israeli retaliatory air and ground strikes into Lebanon.

When the civil strife ended in the rest of Lebanon, the guerrillas started drifting back to their former bases. This development provoked stiff opposition from Christian rightist militias in a string of Christian villages along the border.

In the last three weeks, daily artillery duels have been stepped up between the Christian areas and the Palestinian guerrilla-controlled zones.

Christian Factions Clash

BEIRUT, July 1 (UPI).—Rival Christian rightist groups battled with rocket-propelled grenades, rifles and machine guns in a southern Beirut suburb for nine



Associated Press.

ALMOST ALONE—An aged Lebanese woman walking through Khiam, southern Lebanon, during a lull in the shelling. She is one of about 200 persons remaining in the Moslem town which once had a population of 25,000.

New West Bank Settlements
Planned by Israel Government

TEL AVIV, July 1 (UPI).—Despite U.S. opposition, Israel's ruling Likud bloc has prepared a blueprint calling for the establishment of five urban settlements on the occupied West Bank, the state radio reported today.

Prime Minister Menachem Begin has decided to hold off discussion of the plan until after his return from talks with President Carter in Washington July 19-20, the radio said.

The plan seeks to upgrade two small Jewish settlements on the West Bank and make them full-fledged towns.

Three more settlements are slated—near Jericho and the villages of Beit Sira and Tekoa near Ramallah.

A nationalistic "Band of Believers," a religious movement, set up an unauthorized settlement at Camp Kadum near Nablus more than a year ago. At the settlement, Mr. Arie H. Adumim, a handful of Jewish settlers are living in a trailer camp. It is one of those due for expansion.

Soon after Mr. Begin's Likud bloc won the May 17 election, religious leaders announced plans to set up 20 Jewish settlements in the occupied territory within six months.

The United States has repeatedly opposed the establishment of Jewish settlements in occupied Arab territory on grounds that it could jeopardize Middle East peace efforts.

Reserve Gen. Ariel Sharon, Israel's new agriculture minister, is said to have endorsed the new settlement plan, which also calls for five new roads to be built crisscrossing the West Bank.

Israel has already set up 18 Jewish settlements on the West Bank since capturing it from Jordan 10 years ago. But only one of them, at Kfar Arze near Hebron, is a full-fledged urban center.

Libyan Hijacker Gets
6-Year Jail Sentence.
PALMA, Mallorca, July 1 (Reuters).—An 18-year-old Libyan was sentenced yesterday to six years in prison for hijacking a Libyan airliner with 88 passengers on board last July.

Abdel Magid Mustafa Gamsi seized a Boeing 727 on a domestic flight from Tripoli to Benghazi. He surrendered to police at the airport here after the plane was refused permission to land in Tunis and Algiers.

Mr. Brezhnev reportedly ate little more than soup at the protocol dinner. Mr. Giscard d'Estaing gave for him, and appeared to be displeased with the cooking at the Soviet Embassy here during his reciprocal lunch for President Giscard d'Estaing.

Despite the indications of the concern expressed by Mr. Giscard d'Estaing to Mr. Vance, both French and foreign sources were cautious in making predictions about Mr. Brezhnev's health in the immediate future. One source pointed to Mr. Gromyko's virtual disappearance for two months earlier this year, evidently because of fatigue, and the strong comeback he has made since March.

hours today before heading calls by party leaders to end the clashes.

One person was killed and four were wounded, according to reports from witnesses.

The fighting between militiamen of the Phalangist and National Liberal parties, broke out shortly after dawn following a dispute yesterday among local high-school students in which two students were shot and wounded.

Sadat Bars Israel Ties
BEIRUT, July 1 (AP).—Egyptian President Anwar Sadat has barred diplomatic and trade relations with Israel as part of an overall Mideast settlement and says creation of a Palestinian state is the "backbone of peace."

Mr. Sadat was quoted in an interview to be published tomorrow in the magazine Ustul al Arab, an independent Beirut weekly. He said he discussed the issues with President Carter last April in Washington.

"I told him simply that if we resurrected Jesus Christ and Prophet Mohammed together, they would not be able to persuade Moslems or Christian Arabs to open the borders with Israel after 29 years of hatred, four wars, rivers of blood and massacres," Mr. Sadat said.

"I told President Carter that the creation of a Palestinian state is imperative, because this is the backbone of peace," he said. "We all as Arabs, struggle for the Palestinian cause, rather than for the Sinai or the Golan Heights."

ment at Camp Kadum near Nablus more than a year ago. At the settlement, Mr. Arie H. Adumim, a handful of Jewish settlers are living in a trailer camp. It is one of those due for expansion.

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OPEC Price Rift Is Healed,
Venezuelan President Says

By Ann Crittenden

NEW YORK, July 1 (NYT).—The oil-pricing split within the Organization of Petroleum Exporting Countries has been settled with agreement that there will be no further price rises this year, Venezuelan President Carlos Andres Perez said yesterday.

His comments were made in an interview during a stop in New York as part of a six-day official visit to four U.S. cities.

Mr. Perez said that although this year's oil prices have been set at a 10 per cent above last year's level, prices in the future would inevitably continue to rise. He said they would be closely linked to progress in the dialogue between developed and underdeveloped nations over a new distribution of world resources.

"A great deal of influence will be exerted by the OPEC nations on this problem of achieving a more just equilibrium" in global resources, Mr. Perez declared. He said that next year "the criteria of moderation in oil-price rises will continue to predominate."

Personal Links
In recent months, Mr. Perez has established personal links with a number of other heads of state, particularly in the Middle East. His increasingly active personal diplomacy is credited with reconciling the antagonists in the six-month OPEC pricing dispute. On one side were Saudi Arabia and the United Arab Emirates, which raised prices by 5 per cent last Jan. 1. On the other side were the cartel's 11 other members, which increased their quoted prices by 10 per cent at that time and scheduled an additional 5-per-cent rise for today.

In the compromise settlement, Saudi Arabia and the United Arab Emirates—which together provide one-third of U.S. oil imports—are expected to announce

4 Jailed in Somalia
Over Yacht Grounding
MOGADISHU, Somalia, July 1 (Reuters).—Two Europeans and a South African were sentenced yesterday to a year's imprisonment for illegal entry into Somalia, and a Dutchman was given a two-year sentence after their trial here.

But all four were acquitted on a charge of espionage, for lack of evidence. The accused, who included two women, were fined on the illegal entry charge, which was brought after their yacht ran aground last November near Hafun, northern Somalia.

OAU Set to Open Summit Talks Today

By Jonathan C. Randal

LIBREVILLE, Gabon, July 1 (UPI).—African heads of state flew into this oil-rich town today for the annual summit meeting of the Organization of African Unity, which appears more divided than ever before in its 14-year existence.

Evidence of the split between radicals and moderates was reflected in the failure of a six-day foreign ministers session to come to terms with any of the basic problems confronting the 49-nation organization.

By nightfall, 14 heads of state had arrived in the oceanside capital of this French-speaking nation, whose inhabitants enjoy independent Africa's second highest per capita income thanks to its oil and other mineral wealth.

Low Attendance Expected
Barely more than 20 heads of state were expected to attend the four-day session which starts tomorrow. Last year only nine leaders attended the OAU summit in Mauritius.

No major figure from radical Africa, except Mengistu Haile Mariam of Ethiopia, was expected to attend this year's meeting.

[President Idi Amin of Uganda will not attend the summit, Uganda radio reports indicated. The radio announced today that the Uganda delegation will be led by the country's ambassador to Ethiopia, United Front International reported from Nairobi.]

After several years of keeping a low profile, the moderates were geared to protest Cuba's military presence in Africa and to question the frontiers inherited from the continent's former European masters.

But observers doubted that the moderates would have much effect since in the past the OAU's strongest decisions often have been honored in the breach.

The radical-moderate split goes back to the late 1950s and early 1960s when the more cautious members of the so-called Monro-

via group opposed the strident "independence now" demands of the Casablanca Pact countries.

The radicals and moderates today agree only in their demands for an immediate end to white rule in Rhodesia, South-West Africa (Namibia), and South Africa.

In recent years the quarrels have degenerated into violence among OAU members, and they threaten to sweep away the remaining assumptions of peaceful coexistence taken for granted in the post-independence euphoria of the early 1960s.

In the strategic Horn of Africa, Ethiopia is pitted against the Sudan and Somalia, which claims part of its territory. Somalia is also at loggerheads with Kenya over its alleged military interven-

tion inside Kenya's northeast frontier.

Inside Ethiopia, Eritrean guerrillas are in control of much of the province which controls the strategic Red Sea coast opposite Yemen and Saudi Arabia.

Further west, Chad has charged Libya with forcibly occupying 45,000 square miles of its territory and aiding anti-government insurgents.

In central Africa, Zaïre this spring suffered an incursion launched from its southern neighbor, Angola. Zaïre received aid from Morocco, which sent about 1,500 troops, and from France, which provided transport aircraft.

The most difficult problem is the escalating fighting over the former Spanish Sahara between Algerian-backed Polisario guerrillas and Morocco and Mauritania, which annexed the phosphate-rich territory. The annexation was the first overt violation of Africa's often ethnically artificial borders laid down by European colonialists at the 1885 Congress of Berlin.

Radioactive Fog
Forms After Leak
At French Plant
PIERREBELLE, France, July 1 (AP).—A large quantity of uranium hexafluoride escaped from a chemical processing plant today, temporarily forming a slightly radioactive cloud over this southeastern French city, officials said. No injuries were reported, but nine employees who inhaled the gas were placed under observation.

Uranium hexafluoride is a volatile compound that is used in isolating uranium 235. Officials said that the accident happened when a valve ruptured, and that the compound vaporized on contact with the air, forming a slightly radioactive cloud over the factory.

There was some contamination of the plant before strong winds dissipated the cloud, they said.

Two weeks ago, a similar accident briefly contaminated the drinking water in the staff canteen, and employee unions have been pushing for stricter safety measures since.

Guerrilla Chief
Killed, 2 Injured
In Italy Shootout

ROME, July 1 (UPI).—Police killed one of Italy's top urban guerrilla leaders and wounded two women guerrillas today in a gun battle.

Carabinieri (national police) said that the dead man was Antonio Lombardo, the head of the leftist Proletarian Armed Nuclei (NAP). The women, Maria Pia Vianale and Francis Salerno, who had been hunted since they escaped from a prison in Pozzoli in January, were wounded and taken to a hospital.

A police spokesman said that a Carabinieri patrol recognized Mr. Lombardo and the two women in an automobile near the Church of San Pietro in Vincoli, which houses Michelangelo's statue of Moses. He said that the guerrillas opened fire when the Carabinieri approached them and the officers fired back.

Earlier in the day, a four-member group claiming to represent the "United Communist Fighters" bombed the Interindustrial Association office in Palermo, causing medium damage.

Elsewhere in Italy, police said that a gunman fired at a Rome bus late last night, causing light injuries to a passenger hit by shattering glass. A Communist university student in Naples was hospitalized after being ambushed and stabbed following a party meeting.

190th Session of SALT

GENEVA, July 1 (UPI).—U.S. and Soviet delegations to the Strategic Arms Limitation Talks today held their 190th session since negotiations began in 1972.

A 5-per-cent price increase, making the price charged by the 11 other OPEC members, which are to forgo any further price rises this year. Nine of the 11 that had been scheduled to raise prices today announced Wednesday that they would not do so.

Part of the challenge of the 55-year-old Venezuelan President's visit here was to explain his country's role as a relative hardliner on price increases within OPEC while assuring U.S. leaders that Venezuela remains a firm ally of the United States.

Lowest Levels
Venezuelan oil exports, now only 45 per cent of total U.S. oil imports, are at their lowest levels since 1948, partly because of a Venezuelan policy to conserve the nation's oil reserves.

But Mr. Perez noted that, during the unusually cold weather here last winter, he personally ordered that the supply of oil to the United States be increased.

Mr. Perez's comments on a link between oil-pricing policies and the future balance of economic power between the industrial nations and the developing ones may be hard for U.S. authorities to accept. He has repeatedly asserted that "petroleum" will be a negotiating instrument in a campaign to establish a new international economic order.

In the interview, he said that the developing nations want to be assured that the prices of the goods they sell will keep pace with the cost of the goods they must buy. But he declined to say whether this meant that the OPEC would want to index oil-price rises to increases in the global price of manufactured goods.

Czech Emigrés
Granted Amnesty
PRAGUE, July 1 (Reuters).—Czechoslovakia announced yesterday what amounted to a blanket amnesty for about 75,000 citizens who fled the country after the 1968 Soviet-led invasion.

The Czech news agency announced that the government recently approved a measure that allows emigrés who have been away for more than five years to apply for a retroactive emigration permit or to renounce their Czechoslovak citizenship.

The agency also said that any who wished to do so could return home. Although it did not specify whether they would be subject to any sanctions, it was assumed that they would not.

Swiss Sound
Alarm on Theft
Of Cowbells

BERN, July 1 (AP).—Farmers in Switzerland are at the wit's end—over all because of the thieving tourists.

The traditional Swiss cowbell, worn by cows all over the country, has become prime target for tourists who prefer stealing them from the animal's neck to buying them from the farmer.

"Who else could be responsible for the thefts?" asks a Bern insurance company spokesman. "Peasants don't often go walking and climbing in the middle of the day." He added that applications for farmers for theft insurance had significantly increased in the last year.

The cowbells cost between 80 and 300 francs (\$32 and \$125) each.

Ethiopia Endorses Report
Of Attack by Kenya Force

NAIROBI, July 1 (AP).—Ethiopia, accused by Somalia of attacking Kenya and putting the blame on the Somalis, today backed the Kenyan version of the attack story and said it was Somali troops who attacked a Kenyan police post earlier this week.

Ethiopia's ambassador to Kenya, Mengistu Desta, said Somalia's claim that Ethiopian troops staged the attack to spoil Kenyan-Somali relations "is a pure fabrication concocted by Somalia in a vain attempt to conceal her naked aggression against the territorial integrity of Kenya."

Kenya claimed that 3,000 Somali troops attacked the Rhamu police post near Kenya's northern border with Ethiopia. It said 13 persons died in the shootout.

Somalia's ambassador denied the attack and suggested it was done by Ethiopia, but Kenya termed the denial "consistent with the archaic theories of the Somali government."

"Somalis and Ethiopians may look the same to the Somali government but we know the difference," said a Kenyan government spokesman.

Mr. Mengistu said Somalia has been carrying out subversion against Ethiopia, the newly independent Djibouti and Kenya by infiltrating agents.

Somalia in the past has claimed Djibouti and parts of Kenya and Ethiopia as part of its historical territory.

Infiltration Report
ADDIS ABABA, July 1 (Reuters).—Infiltrators from the Sudan who entered the remote town of Beica in western Ethiopia two days ago have been driven out by militiamen, according to a report.

Opposition in Ireland
Names New Leaders
DUBLIN, July 1 (AP).—The Fine Gael party chose Foreign Minister Garret Fitzgerald, 51, Minister George Colley, 51, and the Labor party named former Welfare Minister Frank Cluskey, 47, as party leaders today after the landslide defeat of their coalition.

Jack Lynch's Fianna Fail party, victorious in the general elections two weeks ago, assumes power Tuesday. Mr. Fitzgerald, 51, a former university lecturer, succeeds outgoing Prime Minister Liam Cosgrave, 57, in the party post. Mr. Cluskey succeeds Deputy Prime Minister Brendan Corish, 58.

Security force losses in a 4-1/2-year-old guerrilla war in total 355 and guerrilla deaths at 2,649.

Police Superintendent P. Cutler said the firing in Victoria Falls began at 8:15 a.m. and lasted 30 minutes.

Two hours later, he said, police patrol boats in the Zambezi River, which forms the bound between Rhodesia and Zanzibar, were fired on from Zambia and returned the fire.

Mr. Cutler said that in sporadic mortar and small arms fire was directed against Rhodesian security forces, lasting in mid-July. There were no casualties.

2 German Anarchists
Charged in Shooting
KARLSRUHE, West Germany, July 1 (UPI).—The public prosecutor yesterday charged two anarchists, suspected of involvement in the slaying of Chief Prosecutor Siegfried Buback, with attempted murder of six policemen.

The prosecutor also charged Verena Becker, 24, and Guntar Sonnenberg, 22, with armed robbery and membership in a terrorist organization. The two were arrested May 8, about a month after Mr. Buback's death in a gunfight with policemen.

Copper Strike in U.S.
FEDERICK, Ariz., July 1 (UPI).—More than 28,000 union workers went on strike against the copper industry today, walk out at seven of the eight major producers in the West and announcing plans to strike eighth tonight.

4. Your brother's jokes.

(A good reason to call home.)

An international call is the next best thing to being there.

سأنا من الأناط

Capital Is Surprised, Divided

Carter Kept the B-1 Decision To Himself, a Few Key Aides

By Haynes Johnson

WASHINGTON, July 1 (UPI)—On the eve of what President Carter called one of his most difficult decisions, only about six persons knew what choice he was going to make on the controversial B-1 bomber.

When he announced his decision yesterday morning, leaders in the House, including Speaker Thomas O'Neill Jr., D-Mass., had not been informed of it.

Mr. Carter's decision surprised a capital that thought it had guessed the answer and was wrong. His decision to discontinue production of the \$100-million plane cut across the most sensitive political nerve ends of Washington.

Reaction was swift and predictably sharply divided. The reaction ranged from the charge of "rank amateurism" by Republican leaders to praise for "courage" in "an historic event" from Sen. George McGovern, D-S.D., of the Democratic left wing that is often critical of the President. Perhaps the bitterest reaction came from Rep. Robert Dornan, R-Calif., who said: "They're breaking open the vodka bottles in Moscow." Mr. Dornan represents the district where Rockwell International's B-1 division is located.

The explanation of Mr. Carter's decision remained somewhat murky. One of the most confusing aspects had to do with a House vote Tuesday to go ahead with the production of five B-1s. That vote had been taken as a sign that Mr. Carter had changed his mind from his presidential campaign days after experiencing the realities of the White House.

Dissidents Say 2 Are Sentenced

MOSCOW, July 1 (UPI)—Two leaders of a Ukrainian human-rights group have been sentenced to prison terms for "anti-Soviet activity," dissident reported today.

Mikola Rudenko, 56, a writer, and Oleksa Tkachy, 55, a teacher, went on trial June 23 in the Ukraine town of Druzhkovsky.

The pair headed a human-rights group monitoring Soviet compliance with the Helsinki accords. Former Maj. Gen. Pyotr Grigorenko, head of the Moscow branch of the human-rights group, said Mr. Rudenko was sentenced to seven years at hard labor and five years in exile and Mr. Tkachy was sentenced to 10 years in prison and five years in exile.

3 in French Connection Given Lengthy Terms

MARSEILLE, July 1 (Reuters)—Three persons accused of forming the Marseille branch of the "French Connection" drug ring were sentenced to lengthy prison terms today on heroin-smuggling charges. Five persons were given suspended sentences and one was acquitted.

Dominique Giudicelli, 54, was sentenced to 17 years. Francis Vanverberg, 28, and Maximalien Antolin, 39, were given 14 and 12 years.

Washington Unamused by Amy Carter Ad

WASHINGTON, July 1 (AP)—The ad looks legitimate. Peering out at you is Amy Carter, carrying her Siamese cat. She is striding off somewhere, looking, if not exactly pathetic, at least concerned.

"You can save Amy," the copy says, "or you can turn the page."

The ad in the July issue of Washingtonian magazine was a joke, but the White House was not exactly amused.

It looks like the Save the Children Fund ads, the ones with the little child in tatters clutching his empty rice bowl.

"Amy is smiling here, but there is sadness in her eyes," says the text, detailing how Amy's father works long hours and how Amy is faced with "the constant glare of flashbulbs, with men in suits lurking nearby, carrying loaded guns."

At the bottom of the page is an appeal from "Overprivileged Kids Inc." for money so that children like Amy can spend "two weeks among real people."

Just a Joke

Editors of the magazine, which appeals to an upper-middle-class audience in the Washington area, said that the ad was just an attempt to amuse.

But Mary Hoyt, press secretary to Amy's mother, called it "a very questionable public-relations gimmick."

"It's different," she said, adding that she thought "the Wash-



Amy

ingtonian is overestimating its readers if it thinks everyone will take it as a joke."

At 1835 Massachusetts Ave., N.W., the return address on a coupon in the ad, a number of envelopes containing checks and



CUT AND DRIED—The object above is not as it seems, a dissatisfied driver's sublimated expression, but the sculptured creation of a Miami art student. It now sits on his front lawn, where neighborhood children find it to be a great toy.

Senate Studies Funds

Documents Sketch Neutron Bomb's Effect

By Walter Pincus

WASHINGTON, July 1 (UPI)—Details of the radiation effects of the Pentagon's proposed new generation of neutron tactical nuclear weapons have emerged from Army documents and statements by government weapons experts.

The Senate is to vote soon on funds for production of the enhanced-radiation weapons—an eight-inch artillery shell and a new warhead for the Lance missile.

The Army documents describe the devastating effect on persons.

Consumers' Suit Critical of Sugar In U.S. Cereals

LOS ANGELES, July 1 (AP)—Claiming that the Post Cereals Division is turning children into "sugar junkies" by selling candy as breakfast food, a parent-consumer coalition is seeking \$1 billion from General Foods Corp.

The Superior Court suit, filed yesterday, said that the firm and its cereal division "are engaged in one of the most sophisticated, damaging and cleverly calculated anti-children schemes ever perpetrated by a major corporation in America."

The suit said five Post cereals each contain about 40 per cent sugar. The class-action suit asks that General Foods or Post Cereals be prohibited from calling "cereals" any products with sugar as the main ingredient. The suit also seeks a ban on advertising which indicates that the products "have qualities which they do not in fact possess."

"Children are a susceptible television audience and believe what they're told," Sidney Wolinsky of Public Advocates Inc. said. "When they see strong men lift playhouses, they think Alpha-Bits will make them big and strong."

A General Foods spokesman said yesterday that the company had not received official notice of the suit, but it did not agree with the charges.

nel. The bombs do not generate the intense heat and blast effects of conventional nuclear weapons.

"This represents a change in the way certain parts of the defense establishment want to look at the use of nuclear weapons," said a government official who has been monitoring the nuclear weapons development programs.

The Pentagon's rationale for the new weapons is the belief that regular nuclear weapons would be less likely to be used because of their greater heat and blast effect beyond battlefield range. Arguing that a new generation of enhanced-radiation tactical nuclear weapons would be more acceptable for battlefield use, the Pentagon has been pushing for congressional approval of production money for the neutron shell and warhead.

According to informed sources, a one-kiloton, enhanced-radiation artillery projectile or missile warhead would deliver 5,000 rads (a measure of radiation) to exposed individuals within a half mile of the explosion.

A reference book of the U.S. Army Command and General Staff College, "Conventional Nuclear Operations," says that at 8,000 rads:

"Personnel will become incapacitated within five minutes of exposure and for physically demanding tasks will remain incapacitated until death . . . in one to two days."

At 3,000 rads, according to the book, exposed individuals become incapacitated within five minutes and remain so for 30 to 45 minutes. "Personnel will then recover," the book says, "but will be functionally impaired until death . . . in four to six days."

At 650 rads, according to the book, functional impairment occurs within two hours. The book adds, "Personnel may respond to medical treatment and survive this dose. However, the majority of exposed personnel will remain functionally impaired until death in several weeks."

10-Kiloton Equivalent

According to informed sources, the one-kiloton neutron weapon's output of radiation falls rapidly, but a dose of 650 rads would be delivered up to three-quarters of a mile from the target. To obtain the same killing effect with the tactical weapons currently deployed, a 10-kiloton weapon would have to be used, informed sources said.

The funds for enhanced-radiation weapons were in the Energy Research and Development Administration portion of the public works appropriation bill before the Senate.

President Carter wants Congress to approve the production money, although he has yet to decide whether to order production. Former President Gerald Ford approved the neutron weapons last November, but Mr. Car-

ter did not learn of the decision until news stories disclosed it last month.

Mr. Carter has said that he will make his decision before Oct. 1.

Senate Cuts Dam Projects To Compromise With Carter

By Adam Clymer

WASHINGTON, July 1 (UPI)—The Senate apparently decided yesterday that President Carter had it over a pork barrel and voted to compromise and kill several of the 18 major water projects he wants eliminated.

But it did so only after hearing promises that this year's disappointments would probably become tomorrow's dams.

The reassurances were given by Senators John Stennis of Mississippi and Milton Young of North Dakota, respectively the second-ranking Democrat and the senior Republican on the Appropriations Committee.

Sen. Young said that he would have liked to fund all the projects that Mr. Carter disapproved, but to do so would bring a veto. However, he said: "Most, if not all, of those projects being deleted now will be in the program next year or shortly thereafter."

"I cannot help but feel this whole situation will settle down, and we will go back to our old procedures," he said.

Sen. Stennis, nettled by charges

Problems Snowball in Drought Areas

Another Turn of the Faucet in California

From Wire Dispatches

SAN FRANCISCO, July 1.—California's critical drought produced a shower of fresh problems today. In Los Angeles, the city's 3 million residents were ordered to cut water use by 10 per cent, while in San Francisco, outraged citizens poured cold water on efforts by city officials to persuade them to use more water despite the drought.

Criticism was voiced by ordinary citizens, the local press, the mayor and various consumer groups here.

The gist of most messages to the water men: Dry up.

"Common sense tells you that we don't have enough water and if we don't use our noodles, we'll suffer for it in the long run," said Theresa Shayer, 32, who has cut water usage by 100 gallons a day in her Richmond District home. "First they [the Water Department] tell you one thing and then they tell you another," she said. "I don't pay much attention. They'll raise the rates anyway."

Despite Rationing

The public outrage—and confusion—was precipitated by warnings from water officials that, despite rationing, San Franciscans must start using more water or be hit with another increase in water rates.

One rate hike went into effect today to compensate for a 25-

per-cent water-usage cutback ordered by the Water Department when it instituted the rationing program three months ago.

But the problem, according to officials, is that consumers have been overzealous in their efforts and have cut back more than 40 per cent, with a corresponding loss in revenue to the department.

Several other water districts in the San Francisco area, including Marin County, are facing the same situation.

"Outrageous" Situation

In editorials, newspapers took the Water Department and the city Public Utilities Commission, which sets water rates, to task for what the newspapers called an "outrageous" situation.

"Water officials in the Bay Area couldn't find a mirage in the desert, much less common sense in their board rooms," said the Examiner. It also said the San Francisco Water Department had "scaled new heights in stupidity."

Some city officials indicated a fear that the "unfortunate" remarks by the water men would minimize the seriousness of the drought and lead people to believe they could quit conserving.

Mayor George Moscone's press aide, Corey Busch, who said he was speaking for the mayor, commented, "The financial situation has got to take a back seat to the fact we don't have enough water. We're nowhere near over the crisis. We can't conserve enough."

Los Angeles residents were ordered to cut water usage by 10 per cent beginning today. However, unlike in San Francisco, there will be no rigid enforcement of the "mandatory" rationing—at least at first. Los Angeles may begin enforcing the cutback more stringently if citizens do not reduce water use on their own.

The City Council approved the mandatory rationing last spring. But the courts are overseeing the city's efforts.

The 3d District Court of Appeals in Sacramento refused this week to allow Los Angeles to increase the amount of ground water pumped from the Owens Valley, which the city bought 50 years ago as its main water field. The City Department of Water and Power (DWP) plans to appeal the decision to the Supreme Court.

In the 1970s, the DWP said, the city received 77 per cent of its water from the Owens Valley, 17 per cent from basins under Los Angeles and 6 per cent from the

U.S. Oslo Envoy Named

WASHINGTON, July 1 (UPI)—President Carter announced today that he is nominating Chicago publisher Louis Lerner, 41, to be ambassador to Norway.

Metropolitan Water District (MWD), an association of Southern California cities and towns.

But the drought has changed the percentages. The DWP estimates that this year 40 per cent of Los Angeles' water will be purchased from the MWD.

"The increased use of MWD water during 1977 will raise water costs by \$18 million," a DWP report warned. "The additional cost to customers, through the purchased water adjustment, is equivalent to approximately 17-per-cent rate increase."

The first part of the Los Angeles rationing plan, which went into effect May 16, prohibited the use of hoses in the washing of sidewalks, serving drinking water in restaurants unless requested, the operation of fountains that do not recycle the water and watering lawns during the day.

U.S. Gives Up Port in Bahrain

BAHRAIN, July 1 (Reuters)—A six-year U.S. naval presence ended here today when this Gulf state took over the port and docking facilities that served U.S. warships.

Bahrain and Washington reached an agreement under which the United States gave up its repair communications, supply and maintenance station here.

Negotiations between the two countries, which began in 1972, were conducted in an atmosphere of friendship, officials here said. The officials said that U.S. naval vessels would be allowed to make friendly calls on Bahrain.

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Jailed Belgian Activist Expelled by Russians

MOSCOW, July 1 (Reuters)—A Belgian sentenced in March to five years' imprisonment for distributing anti-Soviet literature was expelled today from the Soviet Union, after pleas from the Belgian government, Tass reported.

Antoon Pype, 31, from Zombeke, a member of the Flemish Action Committee for Eastern Europe, which campaigns on behalf of Soviet dissidents, was arrested in December while handing out leaflets at Leningrad University.

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Ex-U.S. Legislator Pleads Guilty on Vote

NEW ORLEANS, July 1 (AP)—Former Rep. Richard Tonry, D-La., who failed last week to win back the seat he resigned because of vote-fraud allegations, pleaded guilty today to four misdemeanor charges of violating federal election laws.

In return, prosecutors agreed to drop 11 felony charges. Mr. Tonry had been accused of accepting more than \$54,000 in illegal campaign contributions, promising jobs for political support and trying to cover it up. He faces a possible four-year jail term and fines totaling \$70,000.

6. Somebody's birthday.

(A good reason to call home.)

"An international call is the next best thing to being there."

Obituaries

Irving Saypol, Prosecutor of Rosenbergs

NEW YORK, July 1 (UPI).—The H. Saypol, 71, who served as federal prosecutor in the espionage and conspiracy trial of Julius and Ethel Rosenberg and who was a state court judge for years, died yesterday of cancer at his home here.

Mr. Saypol, who was active on state's Supreme Court bench for a few days ago, served as U.S. attorney for the Southern District of New York from 1951 to 1953. He prosecuted and served dozens of cases, including those against several well-known Communists.

As a state Supreme Court justice, he presided over some of the most dramatic cases in Man-

hattan. In 1956, he held that the late Rep. Adam Clayton Powell was in criminal contempt of court.

And finally, last year, he was a defendant. He was indicted on bribery and perjury charges by a grand jury under the supervision of Maurice Nadjari, who was then ending his term as special state prosecutor. The charges were dismissed in January.

"He was never the same after that happened," said Roy Conu, a lawyer and close friend of the justice. "He was in a state of disbelief that something like that could have happened. He was a very, very proud person."

Famous Cases

As the U.S. attorney in Manhattan, Mr. Saypol supervised the government's cases against Alger Hiss, Judith Coplon and 12 top Communist party leaders. Hiss, a former State Department officer, was found guilty of

perjury. The trial jury held that he had lied in saying that he had never given government secrets to Whittaker Chambers, an acknowledged former Communist spy courier. Miss Coplon, a Justice Department aide, was found guilty of having been a spy for the Soviet Union. The Communist leaders were convicted of conspiring to advocate the violent overthrow of the government.

But by far the most famous case Mr. Saypol was involved in was the 1951 Rosenberg spy trial, in which he directed the prosecution.

In his summation of the case against the Rosenbergs and Martin Sobell, Mr. Saypol said: "The crime charged here is one of the most serious that could be committed against the United States."

After the jury returned guilty verdicts against the three defendants, Mr. Saypol said: "The conviction of defendants in a criminal case is no occasion for exultation. The conviction of these defendants is an occasion for sober reflection."

"It is not possible for a great nation to be free from traitors. But this case shows that it is possible to reach them and ultimately bring them to the bar for punishment."

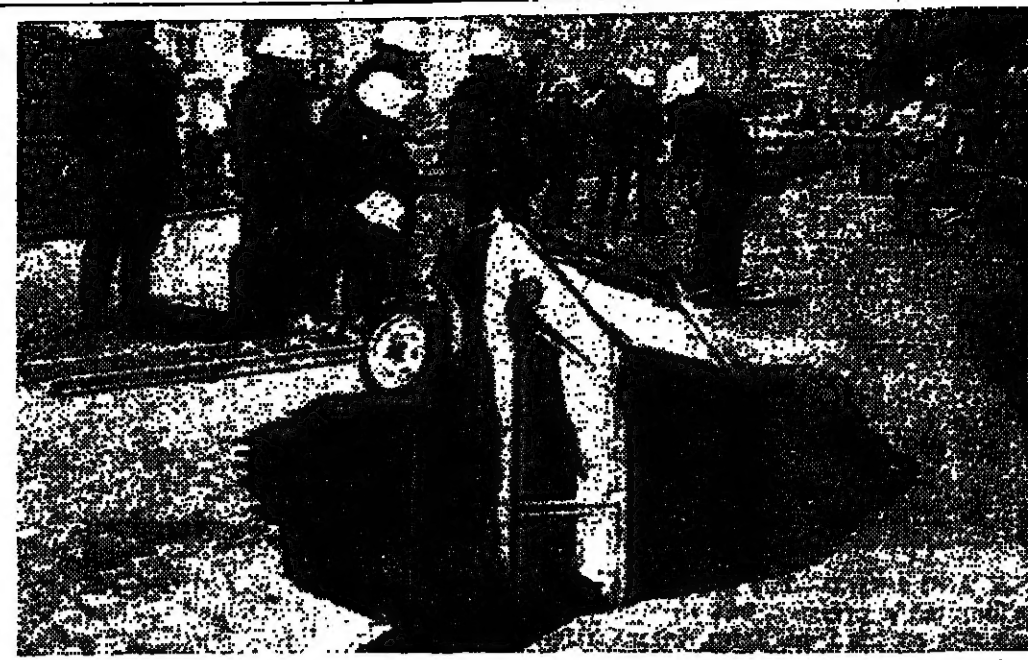
The Rosenbergs were executed on June 19, 1953. There have been recent efforts by their two sons to show that they and Sobell were deprived of a fair trial. Sobell, who was sentenced to a 30-year prison term for conspiring to commit espionage, was released in 1969.

Marcel (Mike) Fodor

TROTSBERG, West Germany, July 1 (UPI).—Marcel (Mike) Fodor, 87, one of the best known of U.S. foreign correspondents, died here today, his family announced.

Mr. Fodor began his career in 1919 with the Manchester Guardian. He later worked for the Chicago Daily News, the Chicago Sun and The Washington Post. He was an authority on the Balkans and Central Europe.

One of his first big stories was an interview with Emperor Karl of Austria-Hungary after his abdication in 1918. He covered the rise to power of Mussolini and Hitler and the events leading up to World War II.



WRONG WAY—A car parked on a Munich street suddenly took a wrong turn—downward—when a rain-sapped section of a street opened up into an excavation prepared for a new section of the subway. No one was injured in the incident.

Some Arab Producers Import Refined Oil

NICOSIA, July 1 (AP).—When an Arab sheikh pulls into a service station in the Gulf emirate of Dubai, he is likely to be driving a big gas guzzler and be proud of it.

But he also may have to wait in line for 30 minutes, pump his own gas by hand because of a power blackout, pay U.S. prices to fill up his tank and buy imported motor oil.

In the region that produces almost one-third of the world's oil and gas, some consumers have more trouble getting fuel than

many consumers in Western countries.

The reason is that the Arabs export more than 90 per cent of their oil and gas. With thousands of big foreign cars imported every year and an economic boom straining power sources, fuel shortages and blackouts are common in the Gulf region.

"Nobody worries about energy in the Gulf," says a resident of Dubai. "Most local Arabs have two large American cars that use a gallon every 12 miles."

Subsidies Common

In most Arab oil-producing countries, the price of domestic gas and oil is subsidized and therefore cheap. A gallon of gasoline in Saudi Arabia costs 13 cents, in Kuwait 15 cents and in the emirate of Qatar 31 cents.

This compares to an average price of 68 cents a gallon in the United States and \$1.46 in England.

But in the poorer oil-producing states, such as the northern emirates on the Gulf, prices are not subsidized, and it costs an average of 68 cents for a gallon of gas. Only one of the seven United Arab Emirates, Abu

Dhabi, has its own refineries. The others must import refined fuels.

Dubai, which produces more than 100 million barrels of crude each year, has to import almost 2 million barrels of refined oil.

Economics Not a Factor

Qatar imports its refined oil and gasoline from European and other foreign refineries owned by Royal Dutch Shell, the company that helps Qatar pump crude oil from the ground. Because of the increasing cost of supporting oil prices, Qatar is having second thoughts about its subsidy program. But most Middle East oil-producing countries consider subsidy their duty, and also do not tax motor fuel.

"Oil is a social service in the Gulf countries," said one foreign oil company executive. "Economics don't come into it. Their philosophy is: How can we charge for it when it's coming out of the ground?"

Periodic shortages of motor oil and gasoline in the Gulf come from distribution problems and are not permanent or serious. The big energy crisis in the Arab countries stems from a lack of power facilities.

With Similar Amount Offshore

China's Onshore Oil Reserves Near U.S. Level, CIA Reports

WASHINGTON, July 1 (UPI).—China's onshore oil reserves are comparable with those of the United States, but its key northern fields likely will be exhausted in 10 years, the CIA reported yesterday.

The agency released a declassified report on Chinese oil prospects. It earlier released a similar report on Soviet oil, forecasting that Soviet oil production would peak no later than the early 1980s.

It is difficult to estimate Chinese oil production, the CIA said, because "not even the Chinese know the size of their reserves."

"Some predictions have been unreasonably high, including one that presents China as a future Saudi Arabia," the agency report said. "These predictions assume China has vast oil reserves and the financial and technological means to exploit them."

"While we have no evidence that China's reserves are on the Middle East scale, we nonetheless believe they are considerable. Working with limited information, experts in academic oil companies and the U.S. Geological Survey generally agree that China's onshore oil reserves are comparable with the 33 billion barrels remaining in the United States. We share this view."

The report said the "most optimistic estimates now suggest offshore oil reserves are about the same as those onshore."

CIA experts estimated that Chinese reserves of 17 to 30 billion barrels in the north and northeast—the regions likely to supply the bulk of output in the short run—would be exhausted in 10 years if output were to continue to grow at the 20-percent rate.

The report's maps showed that one of the major offshore oil basins lies between the Chinese mainland and Taiwan.

It quoted a United Nations-sponsored report that "the continental shelf between Taiwan and Japan may be one of the most prolific oil and gas reservoirs in the world."

Maps also showed that the Hu-

lin Ch'ih onshore oil basin in northeast China runs into Mongolia and the Soviet Union. And the Kiangsu offshore basin extends out into the Yellow and East China Seas halfway to both Korea and southern Japan.

"Beyond the question of reserves," the report said, "there are severe financial and technological restraints on increasing Chinese oil production and exports. For 26 years, Peking has forced the oil industry with funds and technical manpower at the expense of the rest of industry."

"Internal conflicts have not allowed the influx of foreign capital and technology needed to rapidly develop offshore reserves," the report said.

It noted that Peking "can remove the technological handicaps of its oil industry virtually overnight by changing policy to allow foreign participation," but it said that was "not likely."

"On balance," the report said, "we believe that China will produce 2.4 to 2.8 million barrels a day by 1980. Most of this oil will be needed for domestic consumption. Exports are likely to be only 200,000 to 600,000 barrels a day."

"The CIA report concluded: 'Within a decade or so, continuously expanding domestic demand will absorb total capacity unless deposits in the west or offshore are proved and exploited much more rapidly than expected.'"

Australian Says Laotian Guards Beat, Robbed Him

BANGKOK, July 1 (UPI).—An Australian journalist, John Everingham, 29, expelled from Laos after a week of imprisonment, said today that Laotian authorities pistol-whipped him and confiscated his cameras and notes.

He said that he was arrested in Vientiane on June 23 with three Britons, two French citizens, three Laotians and a Chinese. The British and French citizens, along with Mr. Everingham, were released yesterday and expected to leave Laos this week.

Mr. Everingham, at the Thai border town of Nong Khai, said that the Laotian guards hit "me on the back of the head with pistol butts. I was handcuffed for three days. The only food I had was sticky rice given me by Laotians who were in the same prison and had received food from their relatives."

He said that he was arrested at his home, where authorities confiscated five cameras, "hundreds of color slides and all of my notes."

Europe Is Eager To Buy Uranium

SYDNEY, July 1 (Reuters).—Australian Prime Minister Malcolm Fraser returned this week from an overseas tour convinced that European countries are eager to buy this country's vast uranium supplies.

During his month-long tour, Mr. Fraser attended the Commonwealth conference in London and met European Common Market officials and leaders of France, Belgium, West Germany, Italy and the United States. He said that the major issue discussed was what Australia will do with its uranium—20 per cent of the world's supply.

He said that a decision would be made next month on whether Australia would end a four-year ban on the mining and export of the nuclear fuel. Development has been held up by an environmental investigation.

Peking Steps Up Drive Against Radical Backers

HONG KONG, July 1 (UPI).—The eight-month campaign against followers of China's so-called "radicals" appears to have reached a new crescendo. Analysts believe that it may signal an effort to conclude the drive before a national party congress later this year.

In the last week, there has been a sudden increase in mass criticism rallies to denounce supporters of the disgraced "radicals" with a number of ranking provincial party leaders being subjected to attack in front of roaring crowds. Last weekend, a million persons were said to have attended meetings in Yunnan province, in the southwest, where three provincial officials, including an alternate member of the Communist party's Central Committee, underwent "denunciation, exposure and criticism," according to a local broadcast.

Two more provincial party chiefs have been replaced, making a total of 14 of 29 provincial units whose leaders have been reshuffled since last fall.

India State Holds Vote

NEW DELHI, July 1 (Reuters).—Polling began yesterday in the Jammu region of the northern Indian state of Jammu and Kashmir, where the Janata party is seeking to wrest power from the regional National Conference party.

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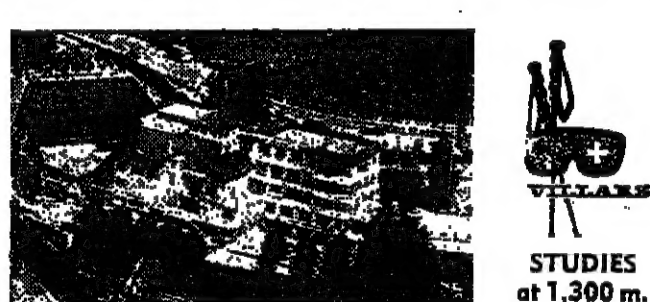
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Although Officials Deny It

Taiwan Seems to Ease Stand On Détente With Mainland

By Melinda Liu

TAIPEI, July 1 (UPI).—The idea of détente between the Nationalist and Communist Chinese, a concept successfully suppressed here for decades by the ruling Kuomintang, has been resurrected in the Taiwanese press.

Since the Kuomintang fled to Taiwan in 1949, anyone advocating contact with the mainland regime has been susceptible to arrest under Taiwan's martial law as a Communist spy.

But an article in the April issue of Taipei's widely circulated Chinese Humanist monthly advocated future exchange with the mainland, saying: "The mainland has oil. Taiwan has none. There

should be a way to exchange between the haves and the have-nots." The article also cited the exchange of letters via Hong Kong.

In the same issue, an article by a little-known Taipei author, Li Ching-sung, attacked Taiwan's mainland enemy by quoting a traditional Chinese proverb: "The benevolent man has no enemies." Mr. Li, who described himself as "just an ordinary writer," also rattled skeletons in the Kuomintang closet by recalling that the Kuomintang and the Chinese Communist party had agreed to cooperate in fighting the Japanese in 1937, and that Mao Tse-tung and Chou En-lai had once been Kuomintang members.

Even pictures of Mao Tse-tung, long prohibited, made a debut here recently when foreign magazines carrying his photographs were permitted to go on sale.

Reappraisal of Attitudes

Taiwan officials vehemently deny the possibility of dialogue with Peking. But with fewer than two dozen countries still recognizing Taipei, and with the United States determined to normalize its relations with Peking, some elements in the Kuomintang seem to be reappraising the party's attitudes.

One Taipei official, who asked to remain anonymous, recently admitted to a "re-definition" of the Nationalist goal to "counter-attack" the Communists. "We do not necessarily want to make war with Peking. We want to offer another alternative that the Chinese people can choose instead of Communism. We think the Chinese people need this option, and we hope it will always be available."

Nationalist Chinese Premier Chiang Ching-kuo, who also is chairman of the Kuomintang, appeared to confirm this comparatively dovish stance. U.S. Rep. Lester Wolff, D-N.Y., chairman of the House subcommittee on East Asia and Pacific Affairs, visited Taiwan in mid-April and, upon his return to Washington, reportedly said that Premier Chiang had indicated that the Nationalist Chinese government would "solve the China problem" mainly by political means and not by military force.

Quiet Exchange

In contrast, as recently as last November, Premier Chiang had said of Mao's successor: "Except for battlefield contact in the shape of a bullet, we shall have nothing to do with him."

Taipei has technically banned



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FLAGS BEARER—An employee of the South East Asia Treaty Organization takes away the members' flags after the group ceased its operation in Bangkok.

imports from the mainland, but it allows a modest commercial exchange with the other side. For years, authorities have issued special licenses for the import of mainland products otherwise unavailable in Taiwan, particularly ingredients for traditional Chinese medicines. Other popular items like Mao Tai liquor, dried mushrooms, red and black dates, jewelry and regional delicacies come through Hong Kong, where labels of origin are removed.

According to a conservative Hong Kong government calculation, last year \$40 million worth of mainland goods were "smuggled" through the colony on their way to Taiwan, indicating an increase of 50 per cent over 1975 and 80 per cent over 1974.

Commerce Mostly One-Way

An undetermined amount of goods are smuggled into Taiwan aboard cargo ships. Early this year, police smashed a 12-man smuggling ring and seized contraband in mainland medicinal herbs, liquor and aphrodisiacs valued at \$5 million.

Small fishing boats from both sides also meet on the high seas to barter foodstuffs, especially around the Pescadore Island chain in the Taiwan Straits halfway between Taiwan and the mainland. Trade is mostly one-way, but Hong Kong statistics indicate that in the last three

years, \$25,000 in Taiwanese goods filtered through the British colony into China.

The best example of mini-détente is the 1956 agreement, somehow negotiated between Quemoy and the mainland port city of Amoy, to fire artillery shells only on alternating days, preferably in the evenings and at uninhabited areas. The shells exchanged contain propaganda leaflets, not explosives.

\$11 Billion Spent By U.S. Tourists

WASHINGTON, July 1 (AP).—U.S. citizens spent a record \$10.9 billion on overseas travel last year while the number of visitors to the United States increased 20 per cent to 4.5 million, according to a Commerce Department report.

Of the \$10.9 billion, compared with \$10.1 billion in 1975, \$6.9 billion was spent in foreign countries, a 7-per-cent increase over 1975, and \$4 billion in trans-oceanic passenger fares, an 8-per-cent increase.

U.S. receipts from foreign visitors, the department said, totaled \$6.7 billion last year, 20 per cent more than in 1975. It said 6.9 million Americans traveled abroad, compared with 6.4 million in 1975.

Remnants of Defeated Leftist Bands

Guatemalan Guerrillas Reportedly Fight Again

By Frederick Kiel

GUATEMALA CITY, July 1 (UPI).—Remnants of a leftist guerrilla force believed to have been wiped out in the late 1960s have emerged in four parts of Guatemala, according to U.S. intelligence and sources within the Guatemalan Army.

The newly active guerrillas' most successful action so far was the kidnapping of El Salvador's ambassador in May during a meeting here of the governors of the Inter-American Development Bank. Ambassador Eduardo Cienfuegos was released after a six-page guerrilla communiqué had been read at the bank meeting and published in local newspapers.

The guerrillas, believed to number about 300, now call themselves the Guerrilla Army of the Poor. U.S. and Guatemalan sources believe that the group descends directly from the Revolutionary Armed Forces, a group started by U.S.-trained Guatemalan Army officers in the early 1960s. It once controlled large parts of the country.

U.S. sources say the new group's leader is Cesar Montes, who joined the older group in 1962, when he was a 20-year-old law student. Mr. Montes was a leader of the original guerrilla group until it was crushed by the army with U.S. support in the late 1960s.

The Guatemalan Army has charged that Cubans support and lead the guerrillas in the field. Later it revised its statements to say that the Cuban advisers were based in neighboring Belize. These charges have not been confirmed by other sources.

Since the CIA helped overthrow a leftist government here in 1954, the powerful Guatemalan Army has often cited the threat of Communism to obtain U.S. support.

The Guerrilla Army of the Poor reportedly has four independent commands, three in the countryside and one in the capital. They have been most active in the cool mountainous region to the north of Guatemala City. That area is inhabited mainly by Indians who still speak Mayan dialects.

Near Escuintla, along the tropical Pacific coast, the guerrillas have been harassing large land-

owners. There have been many reports in the last six months of armed men, "dressed in olive green," burning fields of sugarcane.

The third rural cell, in the semi-arid Zacaapa Department, has been less active, but it was there that the guerrillas had their strongest support 10 years ago.

The guerrillas do their recruiting both in the countryside and at the universities, islands of anti-government activity.

The guerrilla unit in the capi-

tal is a special case. The influence of the banned Communist party—known as the Guatemalan Labor party—is greatest here. U.S. and Guatemalan officials agree that the guerrillas are not under Communist command, but add that they often work in uneasy alliance with the party. A large percentage of urban guerrillas are Communist party members, the sources say.

Tensions between the two groups go back 15 years. Cesar Montes was once a member of the Labor party's Central Com-

mittee, but he reportedly resigned from the party in 1968 to protest its failure to support the guerrillas fully. Guatemala's President, Gen. Kjell Laugerud told a group of foreign journalists in May that a Labor party delegation had traveled to Cuba to ask Fidel Castro to stop supporting the guerrillas, because of the intense pressure the army was putting on the party as a result of guerrilla activity.

U.S. Disagreement

U.S. sources here do not agree with the Guatemalan Army's belief that the guerrillas would collapse quickly if Cuba withdrew support. A U.S. Embassy official said that Cuba was backing the rebels in only a limited way. There are no Cubans with the guerrillas, nor is President Castro donating huge sums of money or arms, he said.

"The guerrillas would continue if Castro disappeared. They are not dependent upon foreign support," he said.

U.S. and Guatemalan authorities also disagree about the source of imported arms.

"They come down from Mexico," said another U.S. official. This is the same route the guerrillas used in the 1960s. "The Guatemalan Army is convinced, however, that Cuba sends the arms directly by sea into Belize."

Anti-Europeans Said to Mar U.K. Relations in EEC

GLASGOW, July 1 (UPI).—Roy Jenkins, outgoing president of the European Economic Community's Executive Commission, said today that Britain has not yet made a success of its membership in the EEC because it has been opposed by a minority of anti-Europeans.

"Our governments have been too inhibited by the minority of unreconstructed anti-Europeans in their midst, men who have paid lip service to the result of the referendum but have done everything in their power to undermine its verdict," Mr. Jenkins said. "They claim to have trembled before the voice of the British people but in fact they have merely trimmed to subvert it."

The referendum in 1975 produced a 2-1 margin in favor of British membership.

"The main reason that we have not yet made a full success of our membership of the European Community is that we have never really tried," he said.

Chile Rejects U.S. Assistance To Protest Pressure on Rights

WASHINGTON, July 1 (UPI).—Chile has become the sixth Latin American country this year to reject U.S. financial assistance because of the Carter administration's attempts to use foreign aid as a lever in human-rights disputes.

State Department officials confirmed yesterday that they received a diplomatic note spurning the proposed \$275-million economic aid package on Tuesday.

The department announced Tuesday its intention to hold up \$23 million of this package for 30 to 60 days to express disapproval of human-rights violations by the Chilean government of President Augusto Pinochet.

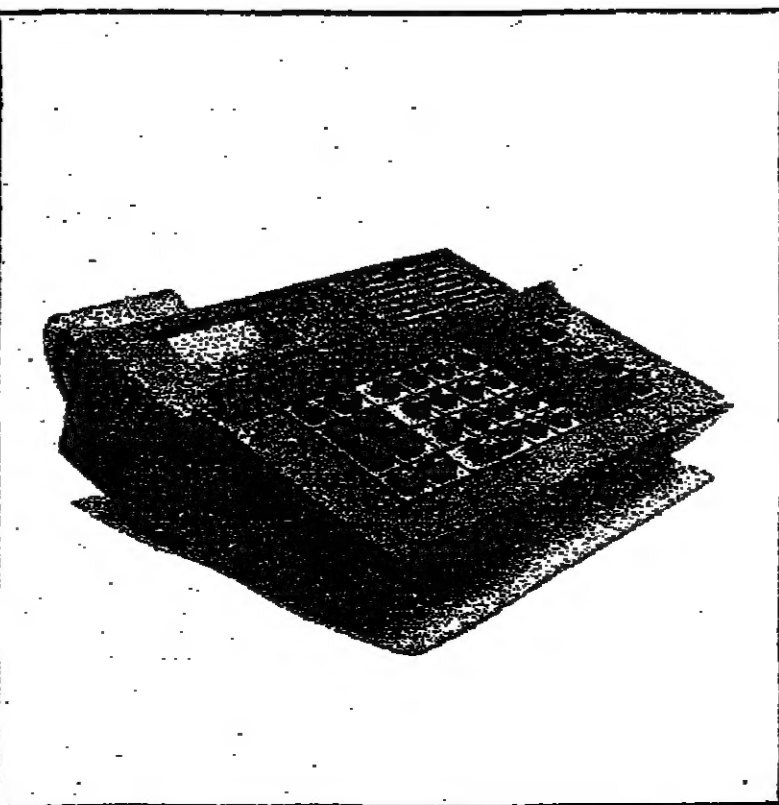
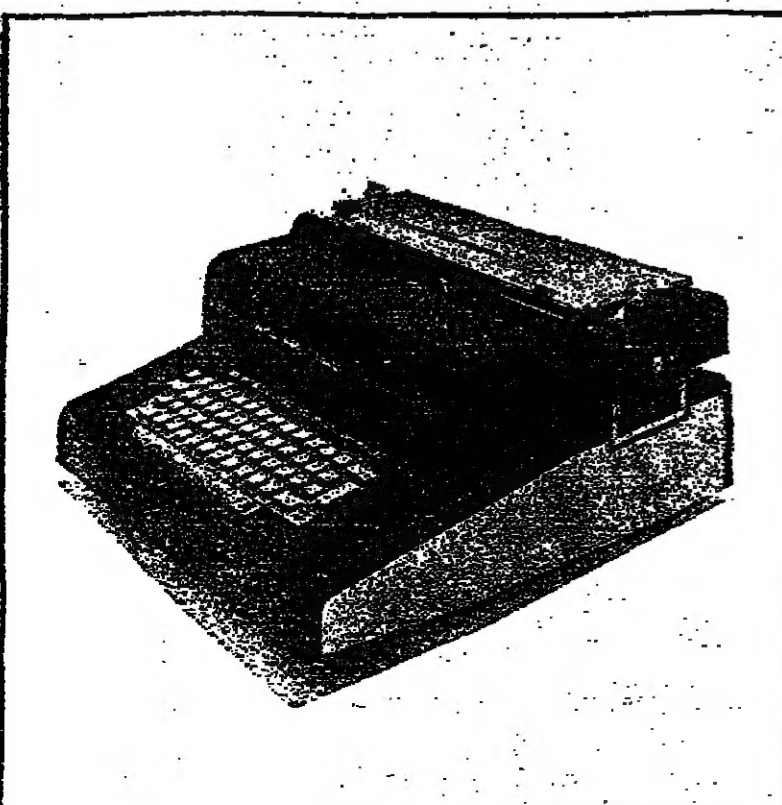
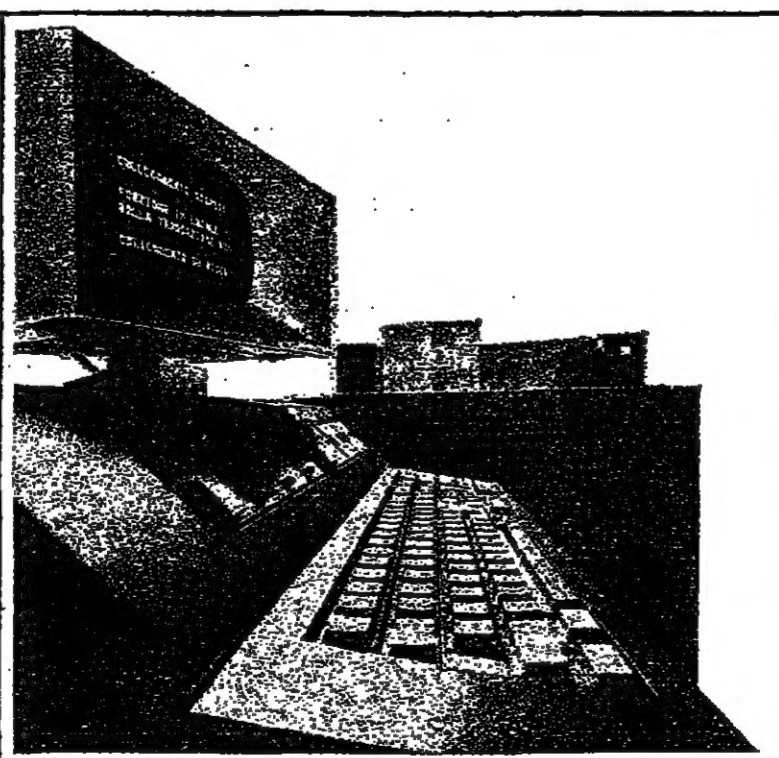
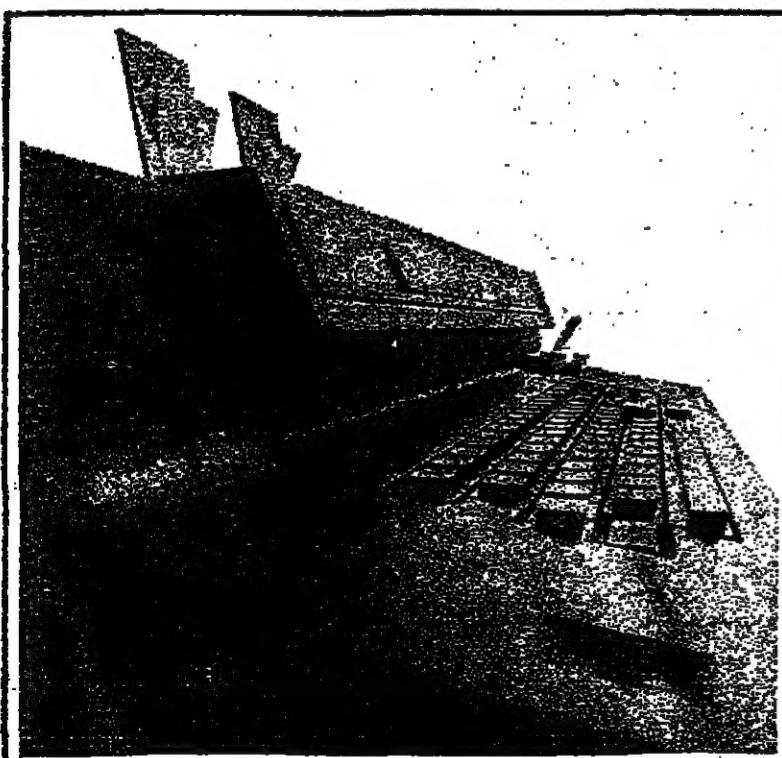
The Pinochet regime seized power from Marxist President Salvador Allende in a 1973 military coup in which Mr. Allende died. Since then, thousands of Chilean exiles have accused the regime of systematically killing, imprisoning and torturing persons that it regards as enemies.

Chilean Embassy sources said last night that Mr. Pinochet's decision to reject U.S. aid was made before the State Department revealed that the loan for programs to aid Chilean farmers would be held up. Brazil, Argentina, Uruguay, Guatemala and El Salvador are the other Latin nations that have rejected U.S. military assistance in a protest against Washington's pressures on human rights.

9 Slain in Argentina

BUENOS AIRES, July 1 (AP).—Eight leftist terrorist suspects were killed by security forces early yesterday in a shootout near La Plata, 30 miles south of here, police reported. They also said that suspected leftists shot and killed a soldier in Cordoba, 450 miles to the north.

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Eurocommunism: Don't Touch

Why is Santiago Carrillo, the leader of Spain's Communist party, now at the head of the Kremlin's list of public enemies? Not because he refuses to carry out some secret set of Soviet instructions. Not because he is complicating the Soviet Union's new relations with democratic Spain. Not even because he is a Spaniard before he is a Communist. Rather, it is because, even more than his Italian and French comrades, who may attain executive powers next year, Carrillo holds Communism to be compatible with constitutional democracy. That means he believes there is a higher law than the will of any Communist party, even in a Communist country. And if there are human and political rights that do not derive from a Communist party, then the totalitarian regimes of the Soviet Union and most of Eastern Europe are illegitimate. "Eurocommunism," from Madrid to Moscow, is the greatest heresy in Soviet doctrine and Carrillo is its newest champion.

His apostasy and virtual excommunication by Moscow are no trick to lull democratic societies into acceptance of Communism. Indeed, Moscow cannot much care whether the commitment of the Spanish, Italian and French parties to parliamentary procedures is genuine or merely a momentary piece of opportunism. It is the idea that threatens the Soviet regime, which almost daily now is petitioned for bill-of-rights freedoms. The idea is an even greater threat to the Soviet-sponsored regimes of Poland, Hungary, Czechoslovakia and East Germany, which have all faced similar demands from their peoples, including Communists, and occasionally in the form of violent rebellion.

Once it is acknowledged that Communists may be challenged and defeated at the polls by non-Communist or even rival Communist parties, and that citizens enjoy rights of speech and assembly beyond those granted them by a ruling Communist oligarchy, there would remain no ideological defense for the East European dictatorships and not much difference between Europe's Communist and Socialist parties. That is why there is more than bombast in the Soviet charge that Carrillo is playing into the hands of "reactionary imperialist forces" and the "aggressive NATO bloc." The Russians rightly recognize the disease, more advanced than it ever was

in Yugoslavia, or in the Hungary of Imre Nagy and the Czechoslovakia of Alexander Dubcek—two Communists who had to be routed from office by Soviet tanks.

Whatever good the Spanish, Italian and French Communists might accomplish for their own peoples in the name of Communist ideology, or whatever trouble they might cause for the Western military alliance and economic union, the Soviet leaders could not bear their coming to power by the heretical path on which they now travel. Better a capitalist or Socialist adversary who possesses nothing more than NATO bombs than a comrade infected by this dread virus. President Brezhnev found time to visit with the Gaullist opposition in Paris last month, but not with any of France's Communists.

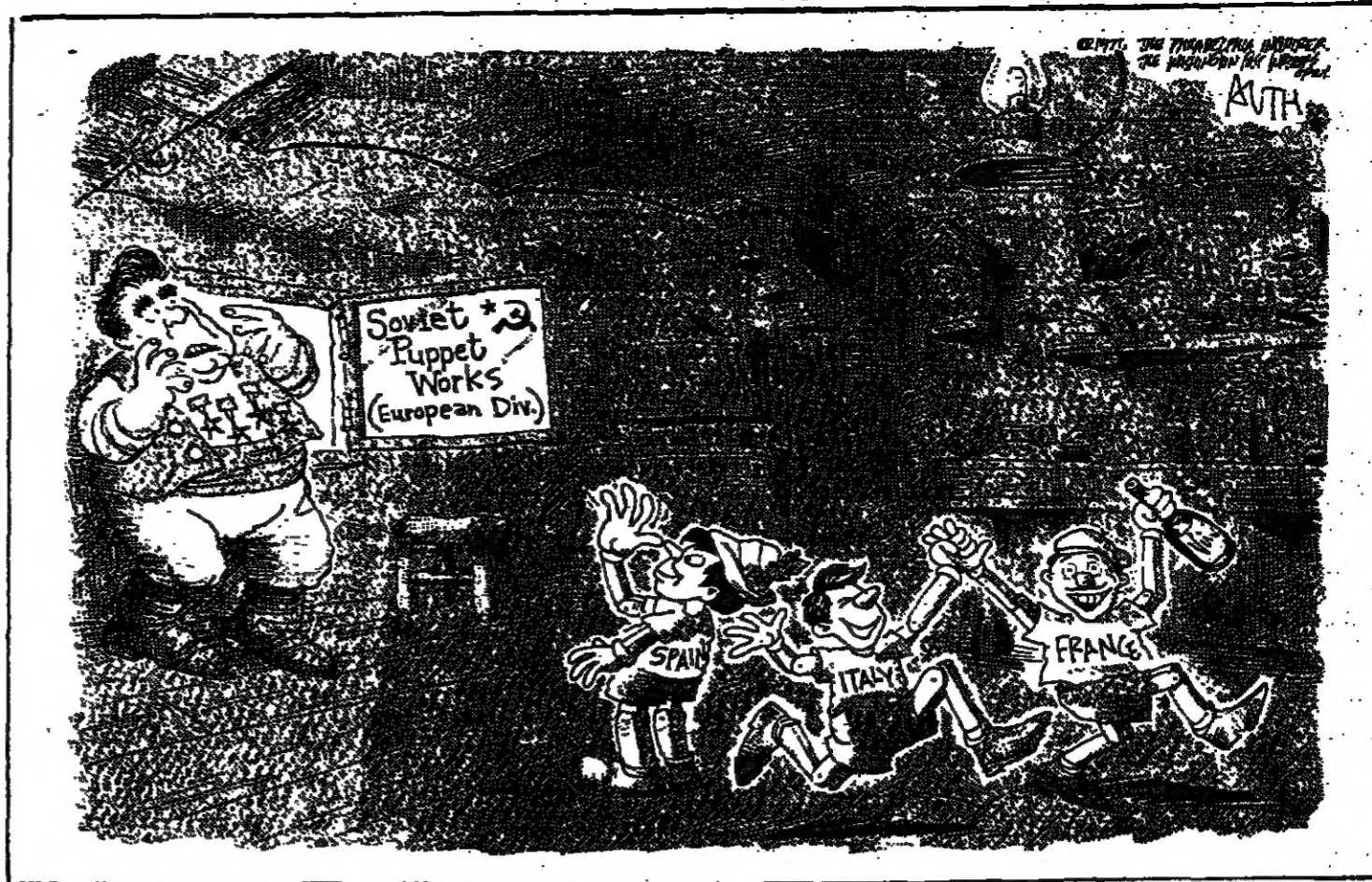
Why then should the West not acclaim Eurocommunists and pray for their accession to power?

First, because they have evolved only uncertainly from their past blind embrace of Soviet interest and ideology; without continued political and cultural pressures they might well lapse back into docile service of Soviet power.

Second, because sudden—as opposed to gradual—challenge to totalitarian power in Eastern Europe would be an invitation to uprisings that the West cannot fully support without unacceptable risk; it is not just their ideological purity but their physical power that the Soviet leaders seek to protect—at any cost.

And third, because Communist majorities and ministries in Western Europe would surely prove disruptive of the military and economic arrangements among the democratic nations.

Vigorous and striving for power, the Eurocommunists are agents of corrosion throughout Eastern Europe. Once elevated to power, and precisely to the degree that they became acceptable to democrats, they could destabilize the entire continent. Europe is unquestionably evolving toward a new day in any case. The Kremlin-Carrillo contest is an exciting and explosive spectacle that the West can watch with fascination but dares not touch. The stronger the lure of Western freedom and prosperity, the greater the chances the drama will serve the democratic cause.



Piloezinhos—a Paradise Lost by Man

By Jonathan Power

PILOEZINHOS, Brazil.—Antonio das Mortes, the work of a young Brazilian filmmaker, Glauber Rocha, tells the story of a small village in the northeast of Brazil. A group of land-hungry peasants have in their despair taken to banditry. The local landowner and police chief decide that they need the special skills of Antonio das Mortes, a professional murderer. Antonio arrives and meets the peasants' leader in the village square.

Soon the peasant is dead, a knife through his heart. The peasants weep and dance and begin to struggle to carry their leader up the mountain. Antonio is overcome. He asks the landowner to open the granary and help the near-starving people. The landowner refuses. In a vision Antonio sees the peasant leader crucified on a gnarled tree. A Virgin appears. She asks Antonio to seek revenge. Antonio is persuaded. He climbs down into the village and with the help of the police chief's drunken assistant, who has befriended him, he takes on the landowner's private army and wipes it out.

It is slowly ebbing. An old man on the bus today coming back from the weekly market in Guarabira told me that he had been informed by his landlord that this was the last year he could rent his small piece of land. His landlord was going to put down the land to sugar cane. The man no doubt could work for 18 cruzeiros a day (\$1.20) cleaning sugar cane. That, however, is difficult work for an old man. But what else?—He would never find work in the town.

Piloezinhos, resting in the green hills, its yellow washed colonial church with blue doors, its square cross-crossed with the traffic of loaded mules, its palm trees and orange groves, its gushing flood-filled river racing between the breadfruit trees, could be as it looks—a kind of tropical paradise. Man made it otherwise. Above the church, notched into the hill behind it is the white-walled graveyard. The struggles and hopes of the people of Piloezinhos are buried here.

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The U.S. Army's Social Role

By C.L. Sulzberger

MONS, Belgium.—U.S. armed forces have traditionally lagged behind more advanced elements of the social structure they are designed to defend, at least with respect to modernizing and liberalizing that structure as new ideas evolved in the nation.

A special case in point has been the military's role in connection with full integration of black Americans serving their country and the assurance they would have the equality of opportunity which is their constitutional right. I well remember views on this subject expressed to me on various occasions by Gen. Eisenhower when he commanded both NATO alliance troops and, under a separate hat, those stationed in Europe by the United States. Speaking as American commander-in-chief, he told me (Paris, May 6, 1951) that he did not believe any army should mix in politics.

This, of course, is a commendable theorem, but his explanation was very hard-shelled indeed. He said that during World War II it had been suggested to him that he should pioneer social

reform in the United States by ameliorating relationships between blacks and whites in his units.

While acknowledging the good intentions of this suggestion, Eisenhower said it was not the role of any army or its commander to spearhead social reform in a nation. In fact, any American general who conceived his duties as such—even with benevolent intentions—would be fired.

The philosophy implied is impeccable, but beneath the surface I always detected a personal bias that Eisenhower probably had inherited from his early Southwestern upbringing. He told me (June 24, 1951) of his surprise while president of Columbia, to find that the distinguished Ralph Bunche, a black, had been selected for an honorary degree and therefore invited to Eisenhower's official university dinner.

On June 5, 1952, I noted in my diary (regrettably because he was my friend): "I am afraid he is going to end up a regular right-wing dinosaur on the subject of applying the Constitution as far as Negroes are concerned." With him that he should pioneer social

it is interesting to contemplate the social revolution of the past quarter century and the role played—or at least reflected—in it by the U.S. armed forces.

Today, the secretary of the Army is black, the commander of possibly the finest American division (3rd Airborne) is black, and a black major general from the U.S. European Command recently returned home to accept a three-star job. All these changes, which now seem so normal, would have been regarded as absurdly exaggerated dreams in the Eisenhower command era.

The staff officers in charge of personnel at different military levels now oversee as a routine function various seminars and other activities designed by the Pentagon to improve race relationships. They also take pains to insure that black officers are promoted at a sufficiently rapid rate and that low-rated assignments held by blacks are subject to constant re-evaluation.

Eisenhower's Job

I discussed this situation with Gen. Alexander Haig, who today holds the same job Eisenhower held 25 years ago: NATO commander and U.S. forces commander in Europe. The only difference is that Haig operates from Belgian headquarters because President De Gaulle expelled alliance installations from France.

"Now the military have led the nation in terms of integration and a national action program," Haig told me. "The question of equal rights and opportunity doesn't even exist as an issue. Equal opportunity for all is an accepted fact of life. This makes the armed forces a faithful reflection of our existing society and a model of its democratic aspects."

It is not a matter today that needs any emphasis in particular because it is a reality. And programs discussing this social attitude in the European theater are designed to insure that it continues to be a dynamic reality.

This has nothing whatsoever to do with politicizing the armed forces and of course we must always be careful to avoid any such politicization. But it is an accurate reflection of changes in our country's society as a whole.

The U.S. Army doesn't regard itself as a locomotive for changing the American way of life. Rather a mirror that reflects and efficiently abets changes that have already occurred. And when one thinks of current practices and precepts as compared with those of U.S. forces and their commanders at the time NATO was starting its career as a defender of democracy, the contrast is both proud and comforting.

JOSEPH A. SAY.

Addis Ababa.

Letters

Largest Party

James E. Markham states (Herald Tribune, June 18) that Adolfo Suarez's Union of the Democratic Center has become the largest party in Spain. Mr. Markham should have explained that the Union of the Democratic Center is not a party but a coalition of centrist parties. What has happened in Spain is that the Spanish Socialist Workers' party (PSOE), which under the leadership of Felipe Gonzalez, finished second in the election, is the one that has emerged as Spain's No. 1 party.

ROBERTO RENDUELES.

Madrid.

Jewish Lobby

In a rejoinder to Carla Briggs' letter on the Jewish lobby in the United States, David Rodnick (Letters, June 4-5) is right in his contention that U.S. Jews have as much right to lobby for their interests as any other group, that they are as much entitled to the protection of the Bill of Rights, and that the Bill of Rights, taking this argument to its logical conclusion, the same should be said of German Jews in Germany, French Jews in France, British Jews in Britain, Egyptian Jews in Egypt and yes—people of Jewish descent or faith in Palestine or what is now known as Israel. Conversely, non-Jews should have equal rights with Jews in the United States, France, Britain, Egypt, Israel, etc.

Outside of Israel the equality and welfare of Jews is ensured or, at any rate, depends on the maintenance of secular, non-racial, pluralistic societies. In Israel, however, Jews find themselves defending a society in which the ideal is racial and exclusionist. Jews must fight elsewhere for their very security and existence—against principles and practices they find themselves defending in Israel. Consequently, in lobbying for the interest of the state of Israel the Jewish lobby in the United States and elsewhere is, in effect, defending inequality and racism—prejudices which pushed too far not very long ago sent millions of Jews to ovens and in another in-

cident uprooted hundreds of thousands of Arabs from their homes into refugee camps in the desert. Justice, equality and the welfare of world Jewry as well as served better if the many Jewish lobbies rally behind the liquidation of the state of Israel (not Jews) and the establishment of the secular and democratic state of Palestine, which will guarantee equal rights to all its citizens, regardless of race or religion—which is what Yasser Arafat and the other Palestinian leaders have been saying all along.

JOSEPH A. SAY.

Addis Ababa.

Required Reading

I strongly believe that the column by Andre Amikrit (Herald Tribune, June 21), "Eurocommunism Before 1984?" is one of the most important articles your newspaper has published, and should be required reading for all those concerned with European political developments. Amikrit rightly draws attention to the frightening unanimity which the Communist party memberships in France and Italy display in toying the current party line, whatever it happens to be. A party with no tolerance of internal dissent, it needs hardly be said, is not likely to undergo an ideological regeneration upon assuming governmental power.

Amikrit is on very firm historical ground as well in questioning the genuineness of current French and Italian Communist party protestations of democratic intent. One of many relevant quotations may suffice: "I declare we do not regard the national collaboration as a passing political coalition, as a tactical chess move, but rather as a long-lasting alliance. We will stand by our given word." (George Marchais, 1977) No; the Stalinist Josef Revali of the Hungarian Communist party, in 1944.

As in the realm of biology, there exists always the possibility of retrograde political evolution, with all its implications of irreversibility. The cost of relieving democratic freedoms has almost always, alas, proved far greater than the dubious benefits derived from surrendering them.

PAUL R. VAN LOAN.

Baselville, Switzerland.

Unthinkable Thoughts on Nuclear War

By Evans and Novak

WASHINGTON.—A new and chilling study of the potential impact of Soviet civil defense measures on the U.S.-Soviet strategic nuclear balance raises fresh doubts about U.S. reliance on strategy that assumes each side is capable of virtually destroying the other—a strategy called "mutual assured destruction." (MAD.)

A result of long analysis by a team of experts under the direction of T.R. Jones, one of the foremost American students of strategic nuclear analysis, the study was privately done in non-governmental defense and nuclear studies. These include Paul Nitze, former deputy secretary of defense, and other acknowledged experts long worried about glaring imperfections in the strategy of MAD and in the concept of overkill, both of which are constantly paraded by doves in the arms-control community who want to slow U.S. strategic growth.

The Jones study first measures potential fatalities in the Soviet Union under an arbitrary scenario: following a Soviet first-strike nuclear attack against U.S. strategic launchers (a counter-for-strike), the United States retaliates with an all-out nuclear strike specifically designed as population-killer, using every strategic weapon that survived a Soviet first strike.

The study (which Pentagon experts have not yet been asked seriously to follow) assumes the full use of the Soviet civil defense planning. Thus, there is a maximum exodus of population from Moscow and other cities within 24 hours of warning and maximum use of what the study calls "expedient shelters"—that is, simple but adequate cover for weeks' protection from nuclear fallout.

Soviet civil defense, which budget priority equal to the military and is under the command of a high Soviet general, has distributed millions of designs for quick construction of such structures—but effective shelters, not just schoolchildren are regular taught that art.

The study claims that under a full evacuation in accordance with Soviet civil defense principles, the number of fatalities from the American retaliatory attack would be as low as 4 million—and even lower if the 24 hour warning time for evacuation is lengthened.

The United States today has a plan whatever for "expedient shelters." Indeed, civil defense has been lost under the lurch of MAD, the concept of deterrence and the mythology of "overkill" (superior nuclear power).

Accordingly, in the reverse case—American first strike against Soviet launchers, and Soviet retaliation designed only to kill people—the study predicts 70 million dead in the United States. What is worse—if anything could be—that even if the American people had access to "expedient shelters," there would still be million dead, the study predicts.

An Assumption

These catastrophic results assume that 90 per cent of urban population has 24 hours get out of town, that the evacuee take maximum advantage of residential housing for fallout protection and that the 10 per cent left in the cities make "optimum" use of designated fallout shelters (such as subways)—in that short supply here.

One reason for these ghastly high estimates is the size of Soviet nuclear weapons, which yield higher yields in both a positive force, and in radii than U.S. long-range missiles. Thus, effective shelter from a deadly blast of a Soviet nuclear warhead in this country would require far more structural strength.

The arithmetic is startling: shelter that would protect a Soviet citizen one mile from point of impact of an average size American warhead is a 100-ton reinforced-concrete structure would give protection only three miles from the point of impact of an average one-megaton (million tons of TNT equivalent) Soviet warhead.

The study correctly suggests this conclusion: "If this high exaggerated model... cannot produce casualty levels far greater than those of past wars, then 'population hostage' concept mutual deterrence loses much of its credibility." The Soviet Union suffered 20 million fatalities World War II, five times more than it would suffer in a retaliatory American nuclear strike if solely at Soviet people.

Exit B-1, Enter Cruise

We hail Mr. Carter's decision not to start producing the B-1 bomber. And what is more, we like the way he seems to have made it—setting aside his campaign pronouncements against the plane and weighing it on the current merits. We find the decision itself sensible. Old faithful B-52s can fly off enemy territory and fire Cruise missiles, pilotless drones that weren't in the picture when work on the B-1 began. This obviates the need for B-1s, at upwards of \$100 million a copy, with which to penetrate enemy defenses. The familiar strategic "triad" (land and sea-based missiles and bombers) is unimpaired.

But let rejoicing be restrained. It is bracing to see a production decision on a costly new weapon rendered by considered judgment rather than by the "mad momentum" of arms building. But there can be no guarantee that the money will be permanently saved or that the Soviet-American strategic relationship will become more stable.

For the B-1's demise is the Cruise missile's debut. Strategists like the Cruise for being cheap, accurate and versatile—and because we're way ahead in its development. Arms controllers fear it for being cheap, accurate and versatile—and hard to count and verify. The short-range air-launched Cruise missile that Mr. Carter plans to put on

the B-52 is evidently not on the SALT table. But the services are champing to build other kinds of Cruise missiles, including long-range, land-based ones. By doing one, you lower restraints against others. Already we're arguing with the Russians over whether bombers equipped with Cruises should be counted against the sub-ceiling contemplated for multiwarhead launchers. It has got to be easier to resolve such arguments before the weapons in question are deployed.

The saga of the B-1 decision illustrates nothing so much as the difficulty of making wise decisions about weapons of great cost, high technology, long lead time, ambiguous strategic implication and extreme political volatility. But several lessons are there to be learned. First, Mr. Carter was right to reject the argument that his campaign opposition to the plane made his presidential decision a test of credibility; it was a test of judgment. Second, the Congress was wise last year to leave the production decision to the November victor. But we find it curious in this light that Mr. Carter should have let the House proceed this week to a B-1 vote—production of five planes was approved.

Exit B-1. Enter Cruise, to stage center. That's where attention must now turn. THE WASHINGTON POST.

International Opinion

U.S.-Soviet Relations

After the Vance-Gromyko talks in Moscow in March, and even after those in Geneva in May, the American side contended that Mr. Carter's statements on human rights were received with hostility in Moscow, but that this problem should in no case be linked with the SALT problem, judged sufficiently important to be considered independently by the leaders in the Kremlin, as this had incidentally always been verified in the past. Mr. Carter and his advisers, rightly or wrongly, believe that there has been an interaction between both matters. The thing is questionable since anyway the American proposals were very hard to accept for the U.S.S.R. But what matters is that this is how things are seen in Washington. The Soviets moreover readily point out that the bad at-

mosphere created by the President's trades on human rights adversely affect the whole relations.

In any case, the American leaders no longer seem to believe very firmly that a SALT 2 treaty can be signed before the expiration of the SALT 1 accord early in October. Since no Vance-Gromyko meeting is foreseen before September, it is hard to see how the situation could be unblocked in time. Decisions will have to be made concerning the Cruise missile and other elements of the American program for a new generation of strategic arms. Must one believe that Mr. Brezhnev had resigned himself to seeing the armament race start another spiral, regardless of what he told Mr. Giscard d'Estaing?

—From Le Monde (Paris).

In the International Edition

Seventy-Five Years Ago

July 2, 1902

NEW YORK.—The possibility of a conflict between Britain and Russia over Persia has already started our own jingoism—more British than the British themselves—on forecasts in which they assume that the United States would take Britain's part. Gazing themselves on some untenable doctrine of Anglo-Saxondom, they assume that we will meddle with the politics of Europe and Asia. —Reprinted from this morning's New York Times.

Fifty Years Ago

July 2, 1927

PARIS.—The short history of aviation is full of dramatic episodes. Commander Byrd and his three valiant companions have added to it a new chapter which in this respect has never been surpassed. Although the voyage from New York ended in a slight disaster, it really was successful in that it has proved the feasibility of communication by a heavily laden aeroplane, carrying four passengers between the U.S. and France.

سپتامبر ۱۹۷۷

RT IN GERMANY Circus Acts and More At Documenta 6

By Michael Gibson

ASSEL, West Germany, (IHT).—Documenta 6, the big international contemporary art project, opened last week (to 21 and is the most important, most solidly organized and artistically structured underwriting of this sort.

In past centuries, certainly, such works have existed. Great gardens, including the Karlsruhe, were created. But here minimalist puritanism tends to purge fantasy, artists strain to make their audience aware of the obvious, as though they had received a mission to inform humanity with all due solemnity, that it has a nose in its face.

Successful Piece

An unusual and successful piece is that conceived by Noriyuki Haraguchi. It is a large, rectangular steel basin, a foot deep, set in a small room of the Friedrichsheim and filled to the brim with used motor oil. The oil's heavy liquidity makes it a dense and perfect mirror of the room and the people around it. Its strange serenity attracted the visitors and held them there—and not a few, of course, plopped their fingers into it.

A considerable drawing section (500 works by 100 artists) is one of the major successes of the undertaking. Its diversity is partly a result of the fact that works of the sixties are shown together with works of the seventies and partly the consequence of a "laissez-faire" choice by the organizers. This diversity allows every possible approach to appear in a relative light, thus enhancing its interest as a possible approach instead—as one often feels with a certain avant-garde—as a dogmatically exclusive approach.

Implausible Deeds

Many have a brief, rather ideal, explanation for this, but its weird simplicity as the viewer in the sensitive where many other implausible—indeed moon walls—Evel Knievel come to rest, one cannot really speak "viewer" anymore. Those saw the rig humming away those who read about it are it is favored in this approach, as the impact lies in knowing it and being aware that—being done.

A whole section of Documenta 6 is devoted to outdoor "sculpture" which, in the present can mean several cubits of 12 beams laid out in a line on grass or a setting, part of the garden, part Zen garden, by R. Morris. These and a series of other works are spread out in the splendid baroque known as the Karlsruhe.

Photograph Section

On the other hand, the large section devoted to photography is of great interest. It attempts to deal with the greatest possible number of facets that appear in the use of the camera and have appeared since its invention. Consequently, we have a typological encyclopedia, starting with Niepce, moving through Nadar, Mathew, Brady, Muybridge, Gistie, Brown, Cartier-Bresson, Robert Capa, and, no doubt, all the estimable and admirable pioneers and heroes of photography.

Out of this emerges a lot of

interesting ideas. One thing which is striking is what might be called the moralizing power of the camera. The faces of people, the sufferings of the poor, the pathos of war, the beauty and wisdom of an understanding face, all this which, expressed through essentially subjective media such as words or drawing, might be suspected of inflated rhetoric or of reflecting the sensitivity of the artist more

Tiled room is the work of West German Hans-Peter Reuter, shown at Documenta 6.

than the objective situation. All this, through photography, becomes irrefutably concrete. This child, age 7, works in a factory, a photo reveals. That a child should work in a factory (it was at the turn of the century) seems remote. But that this child should do so is intolerable. Not because it is a particularly ingratiating child. But the photo brings out an awareness that it is happening to a real being.

Cartier-Bresson says that photography is not art and I would tend to agree with him. But it is something different that calls for the highest qualities of sensitivity and discernment, and why it should be art is really incomprehensible.

The exhibition includes several other departments and, naturally, one devoted to painting is among them, but it is the least successful part of the show.

Further mishaps affected three Fernand Léger. Two of them, painted in 1932 in that broad and crude style characterized by highly contrasted flat colors, thick outlines and a deliberate touch of childlike draftsmanship, went back to their owners at \$18,700 and \$19,800, and a third of 1946 which could be called a cartoon-like parody of an abstract cubism was bought in at \$12,100. The cartoon touch did not go down very well at Sotheby's. Two Victor Brauns of 1962 and 1964 showing totally distorted human bodies with ectoplasmic faces were unsold at \$19,800 and \$13,300.

THE ART MARKET

Best Sellers Take Dramatic Plunge in London

By Souren Melikian

LONDON, July 1 (IHT).—The best sellers of the early seventies are under attack. Twentieth-century masters which were skyrocketing in the three years that preceded the oil crisis of November, 1973, plunged in value Monday and Tuesday in the two main London summer sales conducted at Sotheby's and Christie's. Many works failed to reach their reserve prices, dramatically highlighting the trends observed over the past few months in connection with Paris sales.

As both London sales also included 19th-century works, the overall proportion of unsold works—32 per cent at Sotheby's on Monday, 33 per cent at Christie's on Tuesday—does not fully reveal the extent of the havoc. Michel Strauss, Sotheby's director of modern and contemporary paintings, pointed out that only 20 per cent of "figurative" works were bought in, against 65 per cent for "nonfigurative" art; but "figura-

tive" spans the 19th and 20th centuries and "nonfigurative" is used somewhat loosely.

The abstractionist school was hardly represented, although there were such exceptions as a beautiful Nicholas de Stael of 1953. Even that, however, hardly came under the heading of "abstraction." Called "House in a Landscape," it was a reduction of a figurative subject to abstract-looking splashes. Moreover, it did sell to an Italian dealer—for \$23,600. In fact, unsold works covered practically the whole range of the more important trends in the first half of the century.

Too Optimistic

Cubism went down with a crash. A fine still life on plywood by Juan Gris, dated 1916, which came from a Swiss collection, was bought in at \$101,000, pointing to unreasonably optimistic expectations on the vendor's part in the present climate.

Gino Severini, the towering figure of the Italian version of the cubist style developed by Braque, Picasso and others in Paris, was a flop: Two good works failed to sell at \$16,500 and \$17,600, and they were not really abstract.

Similar failures at Christie's sale confirmed that this had nothing to do with a passing malaise or lack of atmosphere, as will sometimes happen. A Brauner dated 1937 did not sell at \$15,400, nor did a Léger of 1932 at \$10,450. Two Max Ernsts of 1927, including an excellent one which later belonged to French poet Paul Eluard, did not reach their reserve prices at \$21,900 and \$27,500. Surrealism is thus equally affected, as the failure of a René Magritte had shown at Sotheby's, where it was bought in at \$23,300.

In most cases, it should be said, the works offered were rather unattractive, either because they were jarringly strident, such as the Brauner, or because they had very dark colors, such as the Magritte. The message of these failures is thus twofold: First, hasty promotions of the early seventies are being scrutinized and reassessed, leaving a host of casualties; and secondly, buyers no longer go for signatures alone without looking at the paintings.

SPOLETO FESTIVAL

Fine Opera...on Paper

By William Weaver

SPOLETO, July 1 (NYT).—It must have looked fine on paper: a new opera based on the play "Napoli Milionaria." Perhaps out of a misplaced deference to the operatic form, the author has introduced some formal set scenes: a love duet between Donna Amalia and her lover, another between Amalia's daughter and her American soldier Johnny, who embarrassingly insists on calling the girl his butterfly.

For this heavy story, Rota has written syrupy music, far from his natural vein. The duets are so reminiscent of Rudolf Friml that for a moment the excellent baritone William Stone actually looked like Nelson Rida. Rota did not avoid cheap Neapolitan effects: there are strumming mandolins all too frequently.

Bartolotti conducted all this with dedication, as if it really meant something. And the cast sang and acted with laudable commitment. The soprano Giovanna Casolla, as Amalia, has a big voice, which most of the time she uses full-blast. It will be interesting to hear her in another, subtler role. Mariella Devia was effective as her butterfly daughter and, for that matter, the whole cast was large one sang and acted well. The only thing wrong was the opera.

But Spoleto, even when the big events disappoint, can always delight the visitor with its chamber music. The daily mixed-bag concert is a thanks to the resourceful direction of Charles Wadsworth, a constant source of pleasure. Let one event stand for all: the moving performance of the long, taxing Bartok Sonata for Solo Violin by the superlative Pina Carmirelli.

All these things were there, but "Napoli Milionaria," which opened the festival last week and will run through next week, is a rare failure and the responsibility lies chiefly with the librettist and the composer. Einaudi's play is a masterpiece of bitter irony, a black Neapolitan comedy, a vast fresco of the city during the worst days of World War II and during the illusory "black-market" prosperity of the liberation.

Lightning Kills Sentry

SALONIKA, Greece, July 1 (AP).—A sentry on guard duty near the Greek-Bulgarian border was killed when lightning struck the bayonet on his rifle, Greek military authorities said yesterday.

—MICHAEL GIBSON.

THEATER IN LONDON

Granville-Barker's 'Madras House'

By John Walker

LONDON, July 1 (IHT).—There can be few revivals more welcome than Harley Granville-Barker's "The Madras House," which has been neglected for more than 50 years.

It is fitting that, a hundred years after his birth, the National Theatre should revive one of his best plays, in a superb production, for Granville-Barker, an outstanding actor, director, producer and critic, was one of the leading campaigners for a national theater as well as one of the great influences on the development of British drama.

But his writing for the stage is the least original part of his work. He was much influenced by Shaw, writing low-key conversational pieces that lacked both the intellectual fireworks and the dramatic trickery of his mentor.

Faults and Virtues

"The Madras House" displays all his faults as well as his virtues. The great set pieces at the end of the third and fourth acts are dialogues that serve no dramatic purpose and do not carry the play forward or act as revelations of character. They are simply debates on the pressing social questions of his time.

Granville-Barker took Shaw's dazzling virtuosity, he has a more profound sense of the injustices of the society in which he lived. His play is, in its quiet way, revolutionary. For what he does, in leisurely detail, is to examine the bourgeois Edwardian society and conclude that its civilized values were achieved at too great a social cost: that the



John Barker

muddle-class life had reduced women to beautiful empty ornaments, objects of a conspicuous consumption based on the sweat-labor of the masses. What his hero hopes is that his children will grow up with "a sense of ugliness" of the world, so that they can reconcile their overtone of the slums that support them.

Granville-Barker's interest was in his message rather than the medium and his attitude to plot was perfunctory. But he builds up a detailed picture of an Edwardian department store run by two very different men—one a conventional family man with six unmarried daughters cluttering up his home, the other an eccentric who has abandoned his wife and turned Muhammadan.

Chief Victims

It is the women of the play who are shown to be the chief victims of a repressive society. The shop girls are virtual prisoners, forced to live in hostels provided by their employer, but even they have a sort of freedom denied the boss's daughters, whose only hope of escape from the confines of the family home was by marriage.

SHARPS AND FLATS

LONDON.—Carmen McRae is the night attraction at Ronnie Scott's and Johnny Nash will be at the New Victoria, July 3, at 8 p.m.

PARIS.—The Steve Lacy quintet and some members of the Japanese No Theater are appearing tonight at the Palais des Arts through July 16. Cecil Taylor is at the Campagne Premiere through July 2, at 8 p.m. Belle Star at the Lucernaire Forum for two weeks and Soft Machine at the Theatre Le Palace, July 6-8, at 9 p.m.

MONTE CARLO.—Julio Iglesias will be the featured attraction

Moscow Set to Open Movie Competition

MOSCOW, July 1 (AP).—Films from 90 nations will be entered in the 10th International Film Festival set to open Thursday in Moscow, a top Soviet film official said yesterday.

Filip Yermash, chairman of the Soviet Cinematography Committee, said Soviet director Stanislav Rostovskiy will head the jury judging feature film entries from 35 countries, according to Tass. Mr. Yermash said at a news conference that the festival's motto will be: "For humanism of film art, for peace and friendship between nations." The main U.S. entry will be the science-fiction film "Logan's Run."

William Gaskill's sumptuous production brilliantly emphasizes this sterility, notably in the superb counterpointing of the third act, when the men debate the position of women while in the background models prance and preen in the latest elaborate Paris fashions, impossible dresses that don't even allow their wearers to sit down.

The production is intricately inventive, both in Hayden Griffin's marvelously evocative settings, and in the fine acting that gives individuality to Granville-Barker's many mouthpieces. Paul Rogers is particularly excellent as the timid father-figure, beginning for the first time to question the assumptions he has always taken for granted. It is, in its self-effacing way, a richly comic performance. Paul Scofield is less happy as Constantine Madras, who has taken to an Eastern life-style, mainly, it seems, so that he can have more than one wife and keep women in their proper place, which is the bedroom. Scofield is a commanding figure, but he has affected for the role a deep monotone that too often becomes a sonorous boom, one sustained organ note that swallows the sense of his words.

There are plenty of other good performances, notably from Ronald Pickup as the idealistic hero, Jess Ackland as a shrewd but naive American businessman and Jane Hylton as an abandoned wife. But it is the overall effect of the production that is so notable, the sort that in its caring detail justifies the existence of a National Theatre.

At the Aldwych Theatre, John Barton's version of Shakespeare's "Much Ado About Nothing," given an Indian summer setting, is a delight, particularly for the high comedy performances of Judi Dench as Beatrice and Donald Sinden as Benedick. Both in their different ways—Sinden assiduously courting the audience's approval and laughter, Dench brilliantly creating a complex character—are marvelous to watch.

STOCKHOLM.—Lennie Buett is appearing every night at the Sheraton Hotel through Sept. 30.

GENEVA.—The Dippemouth Jazz Band will be at the Promenade des Bains July 8 at 8:20 p.m. and Anne Morré is featured nightly at the Popcorn Club through July 8.

Stan Kenton was operated on last week at the Medical Center in Reading, Pa., for what hospital authorities describe as a fractured skull and blood clot. They say he is making a good recovery, so much so that he is planning to tour Britain early next year.

This week's top single record in the United States is "Undercover Angel" by Alan O'Day and in Britain, "Show You The Way To Go," by The Jacksons.

—FRANK VAN BRAKLE

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ROUND THE EUROPEAN GALLERIES

Rome

Drawings From the Academy "Fregata, National Print Cabinet, Rome, until July 31.

A selection of the artist's gifts to artists born in Persia—those who worked there in 18th and 19th centuries, are sketches of varying interest, mostly to the issue, by followers of Sal-Rosa, Callot, Della Bella, Caracci. A few drawings mean towns are charming, drawings by Wicar, pen designs for the frescoes at Rome Opera, by ale Brugnoli and late 19th-century watercolors of public by Napoleone Verge are the more pleasing.

as-Joseph Natoire, 81 works. Drawings, Prints, Tapes, French Academy, Villa Igeia, Rome, until July 31.

One was born in Mimes in and died near Rome at (grandold) in 1777. He was or of the same French Academy houses this exhibition and was one of the most decorated of salons and here under Louis XV. Here grandiose compositions on s. of battles, of pastoral, allegorical and biblical scenes, skillfully and sweetly red in the pink and blue of the period. But smaller s. figures and portraits in n and pen and inks of the n landscape, are the least and generalized. Because ght awkwardness and their intimacy, they are the endearing. Natoire's greatest was that of a teacher, transmitted his love for shaggy surroundings of its overgrown ruins, shep and fountains, to his pupils and Hubert Robert, realized it better, more fully himself, carrying landscape beyond the immediate, almost seeing nature as ject in itself, and so be- in a sense, the forerun- impressionism.

Remotti, 36 Campo D. po de' Fiori, Rome, until 10.

up newspaper headlines and s cleverly juxtaposed with es on white paint and sly is carry a message. Remotti s the System, stressing s and the practices of the arses, with his jolly small g-collapse. One composi- f newspaper and crawled works well abstractly at the same time it p-.

"Rock-bottom price: thirty



Pencil portrait by Jean-Baptiste Wicar, in Rome.

thousand lire," which is its price on the gallery list as well. Social message is as timebound as a New Yorker cartoon in most cases, but Remotti, once a sculptor, constructs his small images interestingly enough to make them enduring.

—EDITH SCHLOSS.

Paris

Velickovic, Galerie Hervé Oden-matt, 35 bis Rue du Faubourg Saint-Honoré, Paris 8, to July 25.

Velickovic's large violent canvases are always the theater of a calamity in which a man or a rodent, tormented or mutilated, is seen bounding across the picture, which is set up with indications of horizontal and vertical scale like one of Muybridge's sequence shots of movement. At the same time the use of the brush is evocative of action painting. The impact of the work is instant, like it is in a poster or without derogatory intent) in advertising. The difference is that here the resonance is more intimate and more prolonged.

Romantic Italy seen by Hébert, Musée Hébert, 83 Rue du Cherche-Midi, Paris 6, to Oct. 3.

A cousin of Stendhal and a pupil of Ingres in Rome, Hébert (1817-1908) was in love with Italy. The real charm of the present exhibition resides in the more tu-

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rowing Problem Seen in Brazil Debt Burden

By Jack Aboaf

BRIS, July 1 (AP-DJ).—Brazil's ambitious development plan for 1980 will require huge international borrowing and this has been a major problem for the country since the debt crisis began in 1974. The study published in Paris by Hudson Research Corp., an offshoot of the Hudson Institute of the United States, says that the cost of the debt will be \$27 billion at the end of 1976—is already "immense."

Dollar Rallies Against Yen in Tokyo Trade

OKYO, July 1 (Reuters).—The dollar rallied against the yen on the Tokyo foreign exchange today after falling in 48 s to its lowest level for nearly two years. The dollar rose from 287.50 to 288.50 against the yen in the closing trading yesterday. Dealers said the rise was due to banks and traders taking profits in yen, fearing that the dollar may have fallen too far in a short time. There has been no hint of a bank intervention since the dollar began on Wednesday at 270 to the yen. Many bankers believed today's rise was temporary and expected the dollar to fall again in the weeks, perhaps to a new low of 268 set up in July, shortly after the yen was fixed.

Dollar Stable in Europe

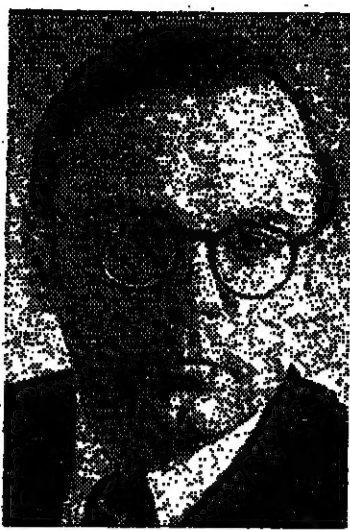
NDON, July 1 (AP-DJ).—The second consecutive day of stability in the dollar market in Europe began on Wednesday. The dollar was steady at 270 to the yen. In exchange market was relatively calm today and the U.S. dollar traded within a narrow range. Dealers said the dollar's stability was largely due to the thin trading of typical of Friday and the approach of the holiday weekend in the U.S. There was no news of a rate change. The trading is expected to be fairly quiet Monday, the could resume its downward trend against several major currencies next week after the market reopens. London's stated. They specifically the possibility of a further devaluation of the yen and the mark against the dollar, could also help some other currencies.

Less Rate Up 10.1 Per Cent Italy in Year

ME, July 1 (AP-DJ).—An agent survey published by Development Bank for Italy today said the rate of persons seeking jobs 0.1 per cent higher in April a year earlier. The survey put the persons hired at government job offices at 128 million, up from 126 million in 1976. The survey did not indicate the rate of the labor force on these figures were calculated, so the unemployment rate could not be determined. The government statistics bureau which uses different criteria for its employment survey, the number of unemployed persons at 1.48 million, but same bureau has reported a decline in employment through compared with the first months of 1976. The development bank survey that of the total, 59.7 per cent of the persons seeking work in the depressed south. In the southern total of 10 persons showed a rise of 9.3 per cent, compared with increase of 11.1 per cent, to 10 persons, in the central and northern areas of Italy.

Business in U.S. Aimed to Improve

NEW YORK, July 1 (Reuters).—Business conditions in the United States continued to improve during June, according to a survey by the National Association of Purchasing Managers. The association said the survey showed the rate of a moderate improvement from the prior months, when the upturn in the economy had been delayed from the adverse weather earlier in the year. The survey also indicated that the third month in a row of price increases was reported as a larger number of firms reported a decline in the price trend, the association said that agents still voiced considerable fears of inflation.



R. Roderick Porter



Walter Vogel



L.M. Mullen

PEOPLE IN BUSINESS

R. Roderick Porter, vice-president, has been named general manager of Chemical Bank in Britain and Ireland and head of the bank's northern European region. He replaces Richard Richardson, who has been named senior vice-president in New York for the bank's overall Asian business. Mr. Porter was previously head of Chemical Bank's branch in Tokyo.

Deere & Co. has announced the appointment of Walter Vogel as vice-president. He will continue in his present assignment as managing director of the European, African and Middle East operations located in Mannheim, West Germany.

Ralston Purina has named L. M. Mullen to the new position of director of legal and finance-Europe. He was formerly an attorney in the consumer products group of the company.

Jonker G. E. London has been named joint general manager of Amsterdam-Rotterdam Bank. He succeeds H. O. C. Rading, who has joined the International Monetary Fund in Washington. Before his appointment Mr. London was project manager with McKinsey & Co., Amsterdam.

TRW International has appointed Marce Ungarrelli as managing director. He is replacing Norman Larson, who is returning to the United States. Mr. Ungarrelli was formerly managing director of TRW Italia and spent the past year at the TRW Replacement Division in the United States.

Michael Buseman and Len Clark have been promoted to assistant vice-president by Bankers Trust Co. Mr. Buseman was recently assigned to Deutsche Unionbank, Frankfurt, an affiliate of Bankers Trust. Mr. Clark is in the London office as assistant treasurer and manager of the bank's telecommunications department.

G. W. H. Kelly has been appointed joint deputy chairman of Anglo American Corporation in South Africa. He heads the operating committee of Anglo American, is chairman of Rand Selection Corp. and other companies. The other deputy chairman is Sir Keith Acland.

Paul van Ypersele, formerly director of investment banking at Banque de Bruxelles Lambert, has been named managing director of the investment banking arm of Wertheim International, based in Paris.

Despite Expected Rise in Price

Study Sees Shortage of U.S. Steel Scrap

By Thomas E. Mullaney

NEW YORK, July 1 (NYT).—A new business study that projects an ominous outlook for steel scrap supplies in the United States has generated considerable interest and controversy in trade circles.

If a serious shortage were to develop in this country's scrap availability over the course of the next five years, as the latest study forecasts, it could have important implications not only for the world's steel-making expansion but also for U.S. international economic relations and foreign trade policy.

It might also inhibit the production of steel in many developing countries, which have been able to install their own steel-making operations in recent years with low-cost facilities that depend so heavily on foreign scrap. Instead of expensive blast furnaces and coke ovens used in traditional production methods for the basic metal.

The publication that has stirred so much discussion among metal experts was prepared by the Industrial Economic Research Institute of Fordham University for the American Iron and Steel Institute in response to a request by former Secretary of Commerce Frederick Dent three years ago.

He had asked for long-range projections on the nation's supply-demand outlook for this key industrial raw material following the shortage of 1973-74 that led to short-lived and controversial export controls on scrap shipments at that time.

The United States consumes huge amounts of ferrous scrap each year in its domestic steel-making and foundry operations, but the supply has usually been ample enough to allow this country to be the world's principal source of purchased scrap for scores of other steel-producing nations.

The study predicts that junk material will be in such greater demand in the years ahead that U.S. stockpiles may diminish considerably. If it should develop, that would be of grave concern to those mills here and abroad that depend so heavily on an excess of U.S. supplies of a critical raw material.

The new study, which was presented a week ago to Juanita Kreps, secretary of commerce, and to other government officials, estimates that there will be a shortage of approximately 11 million tons in the nation's supply of iron and steel scrap by 1982, despite a sharp rise in its price in the meantime.

It was estimated that this country's raw steel production would reach 175 million tons in 1982 and that foundry output would rise to 25 million tons. That would represent a gain of about 18 per cent over the record production year in 1973. Production abroad is also expected to increase sharply, causing an overall jump of more than 35 per cent in the demand for this country's purchased scrap material.

Findings Challenged
Immediately after the study was issued, the trade association of scrap dealers in Washington challenged the findings and some of the assumptions on which the conclusion was based.

Herschel Outler, executive director of the Institute of Scrap Iron and Steel Inc., the dealers' trade association, said in an interview: "We don't agree with the study's conclusion of an impending shortage and we don't agree that there is price inelasticity in scrap. We don't see any shortage by 1982 or at any time in the foreseeable future. Look at what happened three years ago in the so-called shortage period. As the price went up, plenty of scrap became available."

To that, the Rev. William Hogan, the co-author of the Fordham study and a veteran authority on steel matters for the last three decades, replied: "The record shows that there was only a 7-per-cent increase in supply for every 100-per-cent increase in the price at that time."

He maintains that a severe shortage is developing because demand for scrap in this country and elsewhere is growing at a much faster pace than supply. Less scrap is being generated in steel mills and in the plants of their customers these days, he said, because of cost-cutting efficiency improvements in production operations. At the same time, there is a rising trend toward electric steel-making furnaces, which use so much more scrap per ton of steel than open-hearth and basic oxygen furnaces, the two other principal production methods.

Prices Slide Lower on Big Board

NEW YORK, July 1 (NYT).—Investors were unimpressed by the government's upward revised projection of economic growth this year and decided instead the latest rise in money supply was fresh ground to worry about interest rates.

Reacting to such fears, stock prices dropped sharply along a wide front, analysts said, although volume was relatively sluggish ahead of the three-day holiday weekend.

Few money market analysts, however, attached any significance to the Federal Reserve Board figures for the week ended June 22.

"If we look at the four-week moving average, money supply growth remains within the Fed's presumed short-term target and I don't see any particular problem with yesterday's figures," said Glenn Fico, vice president-economist at Irving Trust.

But he cautioned there is some real cause for concern of a tighter Fed policy if money supply continues to rise rapidly in the weeks ahead.

The Dow Jones industrial average was down 3.55 points to 912.65.

It was off 5.34 at 3 p.m. Declining issues outnumbered advances by about 680 to 670, with about 480 issues unchanged. Volume totaled 18.16 million shares compared with 19.41 million yesterday.

Trading was fairly active early today but slackened as many investors pulled back prior to the Fourth of July three-day weekend.

Brokers attributed selling—

which centered in the blue chip issues—both to continuing concern about the long term economic outlook and a jump in the money supply.

International Paper fell 1 1/4 to 30 1/4. IBM 2 3/4 to 261 3/4. Bethlehem Steel 1 1/2 to 30 2/8 and U.S. Steel 1 1/2 to 30 5/8.

Price on the American Stock Exchange closed higher in moderate trading. The Amex index was up 0.36 to 120.58.

Gain in U.S. Money Supply Is Surprise to Credit Marts

By John H. Allan

NEW YORK, July 1 (NYT).—The Federal Reserve reported yesterday that the basic money supply increased \$1.56 billion in the week ended June 22, and the credit markets, caught by surprise, tumbled sharply late in the afternoon.

The decline in the credit markets lasted about 45 minutes after the Federal Reserve figures were published at 4 p.m. After that, prices recovered somewhat, and the new Treasury bonds, which traded as low as 98 1/2 to 98 3/4, rose to 98 3/4 to 98 1/2. In the sale Tuesday, the average price was 98 1/2.

A loose consensus in the credit markets held that the basic money supply, which is defined as currency plus checking account balances and is known as M-1, would either remain flat in the June 22 week or decline moderately. Instead M-1 rose from an estimated average of \$200.8 billion for the June 15 week to \$202.3 billion in the week ended June 22.

Even with the latest increase, however, the money supply for all June will very likely show an annual rate of increase between 1 per cent and 2 per cent, some money market economists estimated yesterday.

While the basic money supply rose \$1.5 billion, the more broadly defined money supply known as M-2 expanded from \$770.9 billion to \$773.7 billion, an increase of \$2.8 billion. M-2 is made up of M-1 plus consumer-type savings accounts at commercial banks.

Over the banking week ended Wednesday, most short-term interest rates monitored by the

Federal Reserve remained stable. The federal funds rate, the basic short-term interest rate, averaged 5.43 per cent, unchanged from its level a week earlier. Three-month Treasury bill rates eased 4 basis points to 4.57 from 5.01 per cent, commercial paper, 1 basis point to 5.39 from 5.40 per cent, and secondary market certificates of deposit, 3 basis points to 5.40 from 5.43 per cent.

However, the federal funds rate rose as high as 5.69 per cent yesterday and the central bank added temporary reserves by negotiating five-day and overnight repurchase agreements.

Commercial loans at the 10 major New York City banks that report to the Federal Reserve declined \$19 million to \$24.4 billion, a modest change following their revised \$611-million jump a week earlier.

Building Outlays Rise 2% in U.S.

WASHINGTON, July 1 (Reuters).—U.S. construction spending rose 2 per cent in May to a seasonally adjusted annual rate of \$169.6 billion, the Commerce Department reported today.

The rise compares with a 5-per-cent gain for April and pushed spending 15 per cent ahead of a year earlier.

On a volume basis, construction put in place was up 1 per cent to an annual rate of \$116.6 billion in 1977 dollars. This compared with a 2-per-cent rise in April and left the volume 8 per cent ahead of the same month a year earlier.



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